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Implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system

Report of the Secretary-General

Summary

The present report provides an overview of the results achieved, measures taken and challenges encountered in the implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system. The exercise has been reinforced by the use of the single coherent monitoring and reporting framework, the results of which are presented in the report for the first time.

Overall, notable progress has been made in implementing several provisions of the resolution. The funding trends evident over the past decade continued in 2013. The discussions on improving the quality of resources have accelerated through structured dialogues. Most United Nations entities have made a strong effort to align their strategic frameworks with the quadrennial comprehensive policy review. The roll-out of the standard operating procedures for countries adopting the "Delivering as one" approach provides fresh momentum for improving programmatic and operational coherence, while the costs of the resident coordinator system have begun to be shared. Progress towards the harmonization of business practices at the country level remains slow, however. Further work on the harmonization of policies and procedures and rules and regulations has the potential to reduce the workload of programme countries and improve the efficiency of the United Nations. The United Nations system also needs to further increase the use of national systems and capacity.

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At this juncture of the transition from the Millennium Development Goals to sustainable development goals, programme country Governments have expressed renewed expectations that the United Nations development system will provide coherent and integrated support, tailored to changing country needs and priorities. The Economic and Social Council dialogue on the longer-term positioning of the United Nations system will provide useful guidance in this regard.

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I. Introduction

1. The present report is submitted in response to General Assembly resolution 67/226 and is intended to provide an overview of the progress achieved and challenges encountered in the implementation of the resolution between 2013 and 2014.[1] For the first time, the results of the single coherent quadrennial comprehensive policy review monitoring and reporting framework are presented.

2. The years 2013 and 2014 were marked by the intergovernmental follow-up to the United Nations Conference on Sustainable Development and, in particular, the deliberations and outcome of the Open Working Group on Sustainable Development Goals. The emerging unified and universal post-2015 development agenda will constitute the substantive framework for a United Nations development system that is called upon to further improve its fitness for purpose. The implications of the new agenda for the system are becoming clearer and the current quadrennial comprehensive policy review cycle affords an opportunity to enhance effectiveness and efficiency that would help in better positioning the system.

3. Several major restructuring exercises were conducted or initiated during the period under review, including by the World Health Organization (WHO) and the United Nations Development Programme (UNDP). The latter undertook a major exercise aiming at moving more support services to regional hubs, reducing the footprint of its staff in New York by close to 30 per cent.

4. Programme country Governments are demanding more coherent support from the United Nations development system in all three dimensions of sustainable development, support for sustainable development policy and poverty eradication and a stronger focus on the development and use of national capacity. To that end, the system must pool its strengths while leveraging those of other actors.

5. The Economic and Social Council, through its resolution 2014/14, decided to convene a dialogue on the longer-term positioning of the United Nations development system, taking into account the post-2015 development agenda, including the interlinkages between the alignment of functions, funding practices, governance structures, capacity and impact of the United Nations development system, partnership approaches and organizational arrangements. While the present report was not requested as a basis for that dialogue, it enables the Council to fulfil its role of reviewing and monitoring the implementation of resolution 67/226.

6. The present report was prepared in consultation with the United Nations development system, with the strategic plans and annual reports of funds and programmes serving as major information sources for it. It also benefited substantially from the surveys of programme country Governments, agency headquarters, resident coordinators and United Nations country team operations management teams administered by the Department of Economic and Social Affairs, the United Nations Development Group (UNDG) coordination support survey administered by the Development Operations Coordination Office and the financial

[1] It provides a report on progress achieved in 2013 on the basis of the annual reports of United Nations entities, which reported using the same time frame. Nevertheless, the input to the present report, including the surveys and that provided by United Nations entities, to a large extent covers 2014. Accordingly, the present report also covers progress achieved in 2014 to the extent to which data have been made available.

database and reporting system managed by the United Nations System Chief Executives Board for Coordination (CEB). The online background material includes a methodological note on the surveys and a technical note on sources and the coverage of the information presented, in addition to a statistical annex.[2]

II. Funding of operational activities of the United Nations for development

Structure and coverage of the section

7. Several entities have specific mandates with regard to United Nations operational activities for development. The United Nations development system is composed of the 34 entities[3] that receive contributions for operational activities for development. They are 12 funds and programmes,[4] 13 specialized agencies[5] and 9 other entities.[6]

8. In response to Economic and Social Council resolution 2013/5, the full analysis of funding of United Nations operational activities for development, previously presented in separate reports, has been merged into the present report.

9. The present section is structured in line with the main sections of resolution 67/226 and the monitoring and reporting framework that was developed upon the request of the Economic and Social Council in its resolution 2013/5 (see annex).

10. Further details, information and analysis in relation to the aspects and characteristics of funding of United Nations operational activities for development can be found on the quadrennial comprehensive policy review website.[2]

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[2] See www.un.org/en/ecosoc/qcpr/index.shtml.

[3] The number would be 37 if the United Nations Volunteers programme, the United Nations Capital Development Fund and the International Trade Centre (ITC) were counted separately.

[4] UNDP (including the United Nations Volunteers programme and the United Nations Capital Development Fund), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), the United Nations Population Fund (UNFPA), the World Food Programme (WFP), the United Nations Children's Fund (UNICEF), the Office of the United Nations High Commissioner for Refugees (UNHCR), the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Conference on Trade and Development (including ITC), the United Nations Environment Programme (UNEP), the United Nations Human Settlements Programme (UN-Habitat), the United Nations Office on Drugs and Crime (UNODC) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

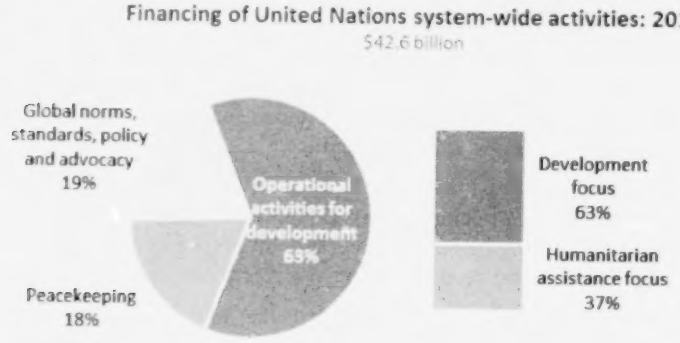
[5] The Food and Agriculture Organization of the United Nations (FAO), the International Atomic Energy Agency, the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Labour Organization (ILO), the International Civil Aviation Organization, the International Maritime Organization, the International Telecommunication Union, the United Nations Industrial Development Organization (UNIDO), the Universal Postal Union, the World Intellectual Property Organization (WIPO), WHO, the World Meteorological Organization and the World Tourism Organization.

[6] The Economic Commission for Africa, the Economic Commission for Europe, the Economic and Social Commission for Asia and the Pacific, the Economic and Social Commission for Western Asia, the Economic Commission for Latin America and the Caribbean, the Office for the Coordination of Humanitarian Affairs, the Department of Economic and Social Affairs, the International Fund for Agricultural Development (IFAD) and the Office of the United Nations High Commissioner for Human Rights (OHCHR).

United Nations system-wide activities

11. United Nations operational activities for development cover activities with a longer-term development focus and those with a shorter-term humanitarian assistance focus.[7] Contributions to such activities in 2013 amounted to $26.4 billion and accounted for some 63 per cent of all United Nations system-wide activities (see fig. I).

Figure I


Financing of United Nations system-wide activities: 2013
$42.6 billion
Global norms, standards, policy and advocacy 19%
Operational activities for development 63%
Peacekeeping 18%
Development focus 63%
Humanitarian assistance focus 37%

12. With regard to the distinction between development-related activities and humanitarian assistance-related activities, no harmonized system-wide classification exists. For the purposes of the present report, and pending the introduction of a harmonized classification system, all activities of UNHCR, UNRWA, the Office for the Coordination of Humanitarian Affairs, the emergency operations of UNICEF (some 28 per cent of all UNICEF activities) and the humanitarian operations of WFP (some 93 per cent of all WFP activities) are considered to be related to humanitarian assistance. Accordingly, all other activities are treated as related to development. Many of the more detailed analyses contained herein concern the development-related activities in particular.

Core and non-core resources

13. United Nations operational activities for development are funded by a combination of core and non-core resources. Core resources are those that are not earmarked and are commingled without restrictions. Their allocation and use are directly linked to the multilateral mandates and strategic plan priorities of entities, as approved by their governing bodies through an established intergovernmental process.

14. In contrast, and as determined by the contributors, non-core resources are mostly earmarked and thus restricted with regard to their allocation and application. There is therefore not necessarily an optimal link between the activities financed by non-core resources and the multilateral mandates and strategic plan priorities approved by governing bodies. In some instances, governing bodies formally approve the use of core resources while only taking note of the use of non-core resources. Some 7 per cent of non-core resources are in the form of local resources,

[7] See the technical note on definitions on the quadrennial comprehensive policy review web page.

which are resources that programme countries and local partners contribute to entities for programming in their own country. Whenever so indicated and deemed appropriate, that component is excluded from some of the analyses presented in the present section.

15. The financing of United Nations operational activities for development in the form of earmarked non-core resources has grown significantly over time and accounted for some 75 per cent of total resources in 2013, compared with 56 per cent in 1998. Looking at development-related activities alone, if humanitarian assistance activities are excluded, it can be seen that non-core resources accounted for some 69 per cent of total resources in 2013, compared with 51 per cent in 1998.

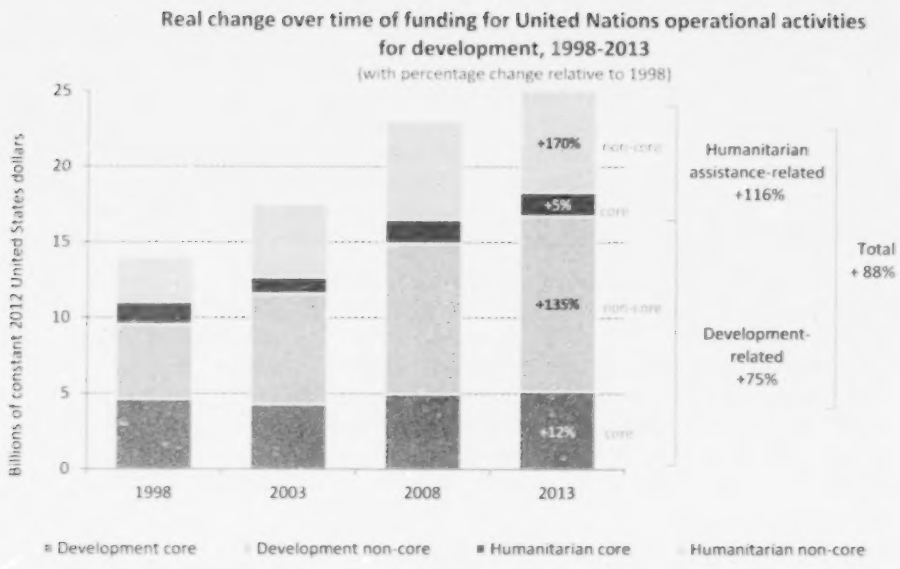
16. More extensive information on the aspects and characteristics of the two types of financing is provided as part of the background material available on the quadrennial comprehensive policy review website.[2] In this connection, reference is also made to a recent report of the Development Cooperation Directorate of the Organization for Economic Cooperation and Development (OECD), published in 2014, on current practices and a way forward with regard to making earmarked funding more effective. The paper, which is also included as part of the background material, constitutes one of the chapters of the forthcoming OECD multilateral aid report.

17. The background material also contains further information on and references to opportunities and challenges relating to system-wide reporting, the technical aspects of comparisons and trend analyses in current and real terms and the definition of official development assistance, which is used as a reference in comparisons between United Nations operational activities for development and other development assistance.

A. General principles

18. The real-term growth in funding for United Nations operational activities for development was generally positive from 1998 to 2013 for both development-related activities and humanitarian assistance-related activities. The growth in core resources was, however, minimal compared with the growth in non-core resources (see fig. II). The consequent imbalance between the two sources of financing and the allocation of institutional resources to activities financed from non-core resources are central to the discussion about cost recovery and the critical mass of core resources required for United Nations funds and programmes to maintain and continually develop capacity to deliver on their multilateral mandates, including through core programme activities on the ground (see paras. 44-51 and 65-71).

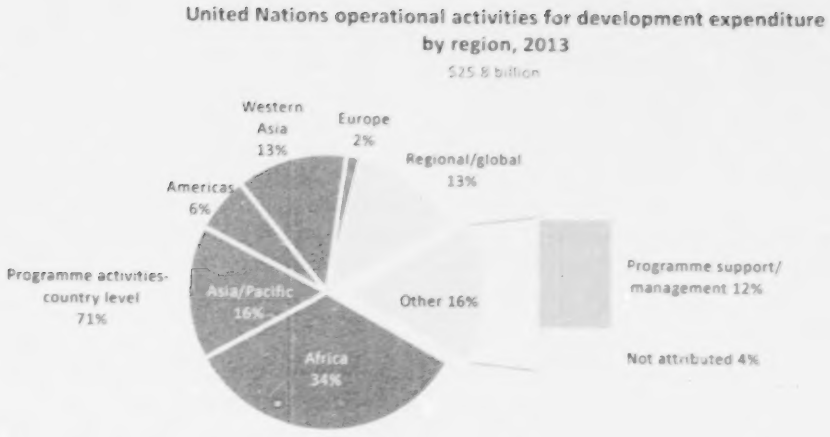
Figure II



19. Some 71 per cent of the $25.8 billion in expenditure for United Nations operational activities for development in 2013 is allocated to programme activities at the country level. About one third of all expenditure, or $8.4 billion, was spent in Africa (see fig. III). The share of United Nations operational activities for development carried out in Western Asia has increased, rising from 8 per cent in 2011 to 13 per cent in 2013. Over three quarters of expenditure in that region was related to humanitarian assistance activities.

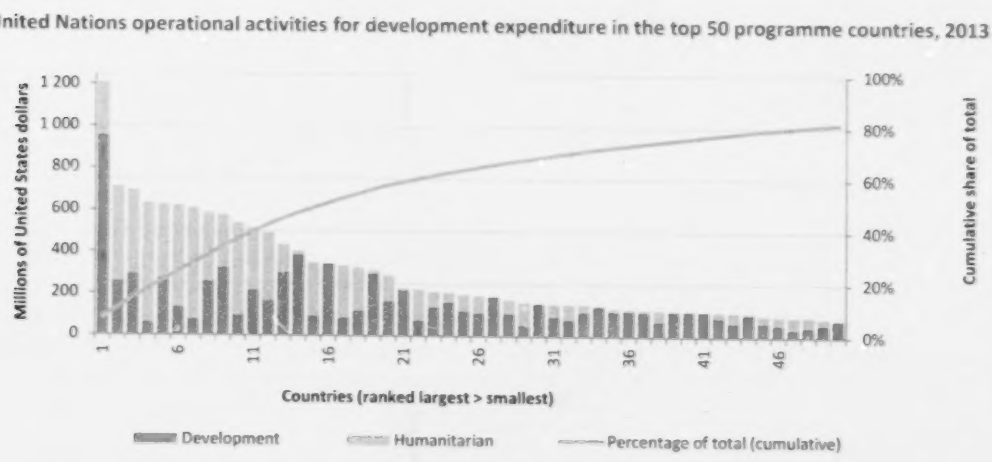
20. Some 29 per cent of the total expenditure is focused on programme activities at the regional and global levels, programme support and management and activities that could not be attributed to any of the those categories. Programme support and management costs are those that in discussions on cost recovery within the ambit of the quadrennial comprehensive policy review have been defined as non-programme costs and include what some entities refer to as development effectiveness.[7]

Figure III



21. As far as the distribution and degree of concentration of total country-level programme expenditure for 2013 are concerned, the top 50 programme countries accounted for 82 per cent of the total, with the top 5 (Afghanistan, Ethiopia, South Sudan, Jordan, Sudan) alone accounting already for some 21 per cent (see fig. IV). Programme expenditure in Afghanistan was by far the highest ($1,218 million), 61 per cent of which was on account of UNDP ($742 million). Except in the case of Afghanistan, humanitarian assistance dominated the activities in countries with the highest total programme expenditure.

Figure IV

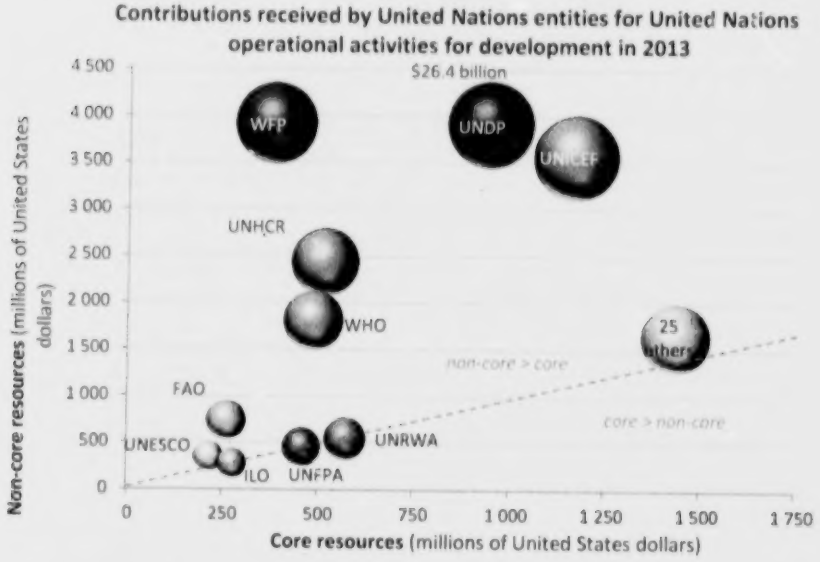


22. Of the 10 countries with the highest programme expenditure, 8 have a United Nations humanitarian coordinator. A full list of programme expenditure by programme country, type of activity (development-related and humanitarian assistance-related) and type of funding (core and non-core) is provided in table B-2 of the statistical annex.

United Nations entities

23. Funding is concentrated in a relatively small number of United Nations entities, with the top 10 (UNDP, WFP, UNICEF, WHO, UNHCR, FAO, UNRWA, UNFPA, ILO and UNESCO) accounting for 88 per cent of all contributions in 2013.[8] For UNFPA, ILO and UNRWA, the core and non-core components of funding were roughly the same, but for the five largest entities the non-core component exceeded the core component by a significant margin (see fig. V). Compared with 2012, contributions to WFP, UNHCR and the humanitarian assistance-related activities of UNICEF increased significantly. A full list of contributions over the past eight years, by entity and type of funding (core and non-core), is provided in table A-2 of the statistical annex.

Figure V



Sources of funding

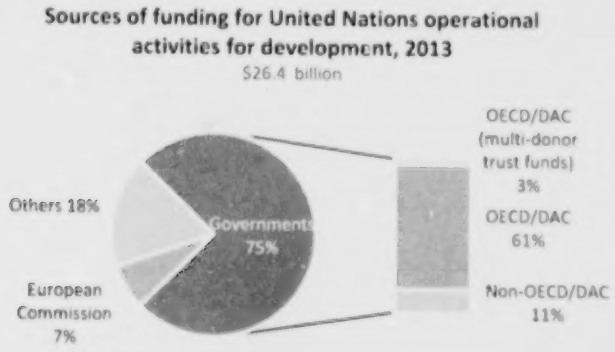
24. Some 75 per cent of total contributions in 2013 were made by Governments directly, both those members of the Development Assistance Committee (DAC) and those not members (see fig. VI). This includes the contributions made to United Nations multi-donor trust funds managed by the UNDP Multi-Partner Trust Fund Office on behalf of the United Nations development system.[9] The remaining 25 per cent is accounted for by the European Commission and other multilateral

[8] WFP received $383 million in multilateral contributions in 2013. Such contributions are the most flexible type of contributions to WFP and for the purposes of the present report are considered to be the equivalent of core resources. For the most part, those contributions are restricted to programme activities. In some instances, limited amounts have, with donor agreement, been used for programme support activities.

[9] States members of DAC accounted for 97 per cent of the financing of multi-donor trust funds in 2013 and are reflected separately.

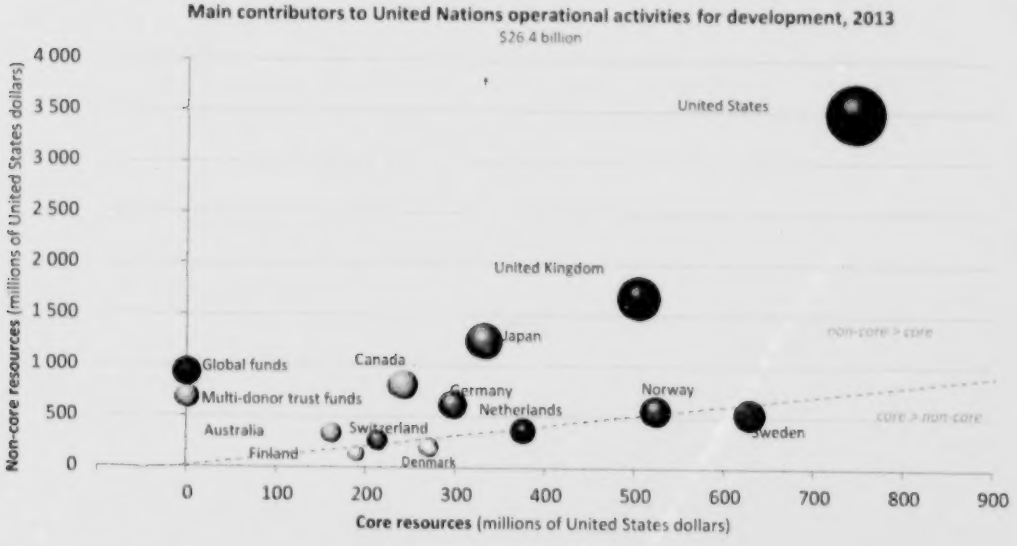
institutions (including global funds), which themselves are mostly financed by Governments and non-governmental and private sources.

Figure VI



25. A complete list of contributions by donor, type of activity (development-related and humanitarian assistance-related) and type of funding (core and non-core) is provided in table A-3 of the statistical annex. Figure VII shows the information for the group of main contributors that together account for 88 per cent of total funding. Information on individual donors excludes their contributions to multi-donor trust funds,[10] the European Commission and other multilateral institutions (including global funds). These are combined into groups and shown separately in figure VII.

Figure VII

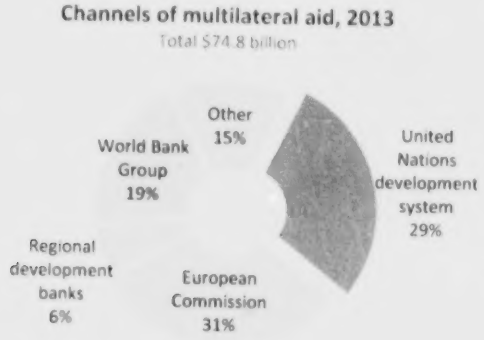


[10] Funding received by United Nations entities from the Central Emergency Response Fund is included under "multi-donor trust funds".

United Nations operational activities for development and official development assistance

26. The United Nations development system accounts for 29 per cent of direct multilateral funding, as reported by OECD/DAC (see fig. VIII), and is the second-largest channel for this type of funding behind the European Commission. From 2009 to 2012, the United Nations was the largest single channel.[11]

Figure VIII

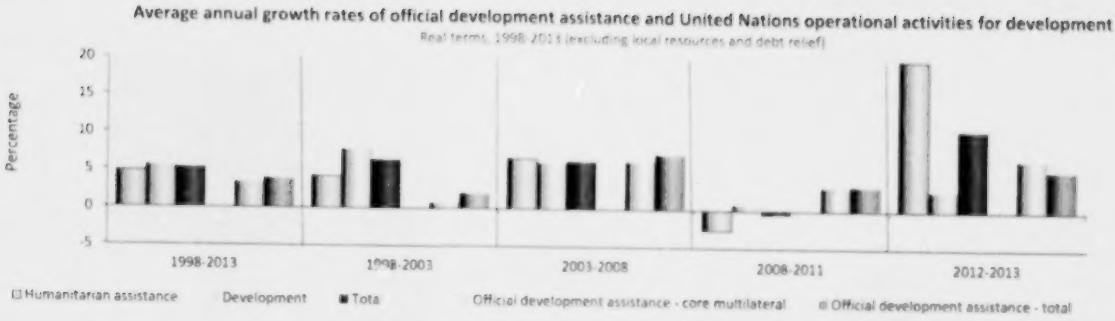


27. Taking also into account the bilateral resources (excluding local resources) that are channelled through the United Nations development system as earmarked non-core resources, total funding was equivalent to some 17 per cent of OECD/DAC-reported total official development assistance flows (excluding debt relief) in 2013. Figure IX shows that, between 1998 and 2003, contributions to United Nations operational activities for development grew faster in real terms than both total official development assistance and core multilateral official development assistance, before growth in official development assistance increased to a level similar to growth in funding for United Nations operational activities for development from 2003 to 2008. Both growth rates slowed in the years corresponding to the aftermath of the global financial crisis before rebounding in 2013.[12]

[11] Comprehensive tracking of aid flows channelled through the multilateral system began in 2009.

[12] The change in accounting standards in 2012 from the United Nations system accounting standards to the International Public Sector Accounting Standards by a number of entities does not allow for meaningful comparisons to be made between 2011 and 2012. Accordingly, the most recent five-year period is shown in two separate parts in figure IX.

Figure IX



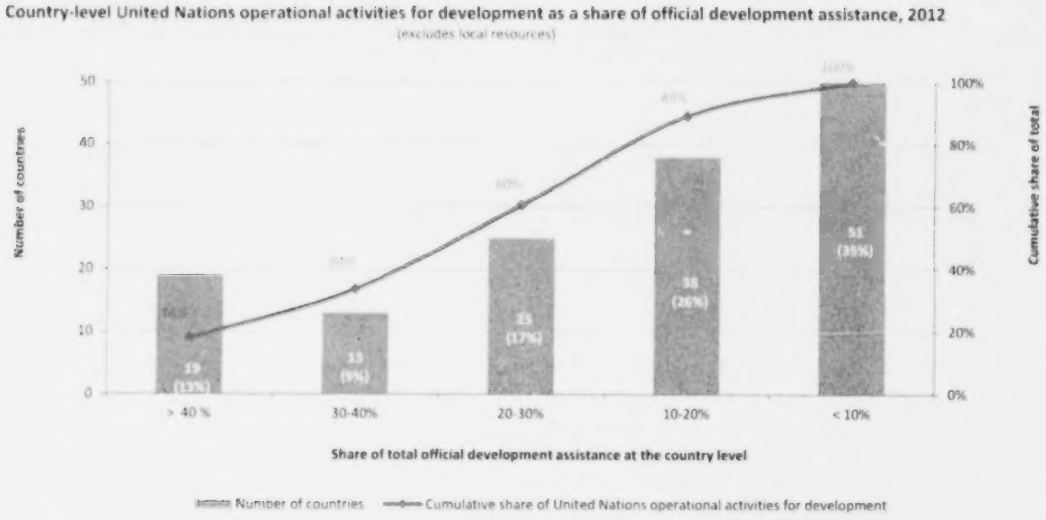
28. A comparative analysis of United Nations operational activities for development and total official development assistance at the country level shows that the former (excluding local resources) accounted for more than 40 per cent of total official development assistance in 19 countries, i.e. 13 per cent of programme countries in 2012 (see figure X).[13] Those 19 countries[14] combined accounted for some 18 per cent of total country-level expenditure on United Nations operational activities for development, of which 57 per cent was related to humanitarian assistance. At the other end of the spectrum, United Nations operational activities for development accounted for less than 10 per cent of total official development assistance in 51 programme countries. That group of 51 countries accounted for some 11 per cent of total country-level United Nations operational activities for development, of which 17 per cent was related to humanitarian assistance. Of those 51 countries, 43 are classified by the World Bank as middle-income countries. Most United Nations operational activities for development (55 per cent, of which 44 per cent were related to humanitarian assistance) were in programme countries where such activities accounted for between 10 and 30 per cent of total official development assistance.

29. The information provided in figure X represents the combined financial flows of the entire United Nations development system. On average, 15 United Nations entities operate in low-income and low-middle-income countries and, as shown, account in many cases for less than 10 per cent of total official development assistance. From a funding perspective, the United Nations development system appears to be most relevant in countries with economies in transition (gauged by the presence of a United Nations humanitarian coordinator). In 58 per cent of such countries, operational activities for development account for at least 20 per cent of total official development assistance.

[13] At the time of writing, data on disbursements of official development assistance by programme country for 2013 were not available.

[14] Chad, China, Cuba, the Democratic People's Republic of Korea, Guinea, Indonesia, Iran (Islamic Republic of), Malaysia, Myanmar, the Niger, the Philippines, Somalia, South Sudan, the Syrian Arab Republic, Thailand, Uruguay, Venezuela (Bolivarian Republic of), Yemen and Zimbabwe.

Figure X



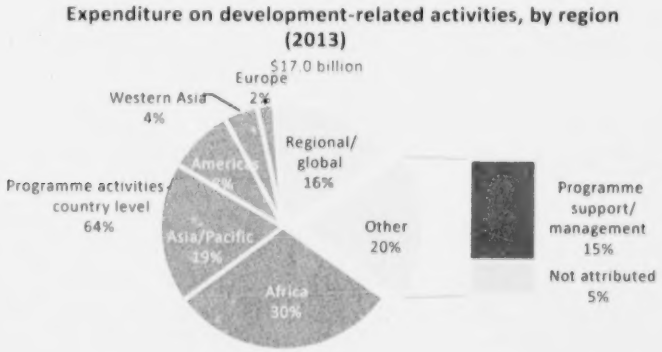
Development-related activities

30. The following information and analyses pertain to development-related activities only, which account for 63 per cent of all United Nations operational activities for development.

General distribution and degree of concentration

31. While figure III contains an analysis of expenditure components for United Nations operational activities for development as a whole, figure XI shows the analysis for development-related expenditure (including local resources) only. Some 64 per cent of development-related expenditure in 2013 concerned programme activities at the country level, of which about $4.8 billion was spent in Africa. Accordingly, 36 per cent of total expenditure concerned programme activities at the regional and global levels, programme support and management, and activities that could not be attributed to any of the above categories.

Figure XI



32. Figure XII provides an overview of the general distribution and degree of concentration of development-related programme expenditure (excluding local resources) by country and by type of funding (core and non-core) in 2013, ranked by decreasing core resource expenditure. For presentation purposes, expenditure in excess of $300 million is not shown. Table 1 shows the top 10 programme countries, which together accounted for close to 37 per cent of total development-related expenditure in 2013, with an indication of expenditure per capita.

33. Although the distribution may differ for individual entities, the analysis suggests that, for the United Nations development system as a whole, the correlation between the allocation of core and non-core resources among programme countries is uneven.

Figure XII

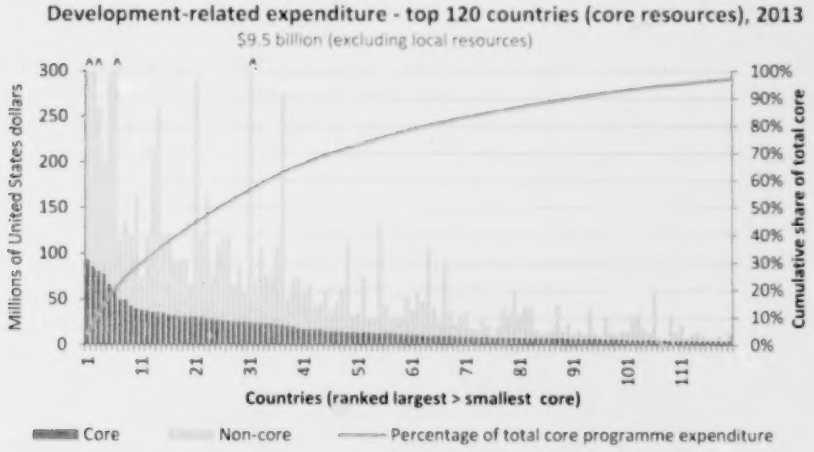


Table 1
Programme expenditure in top 10 programme countries, 2013: development-related activities (excluding local resources)

(Millions of United States dollars)

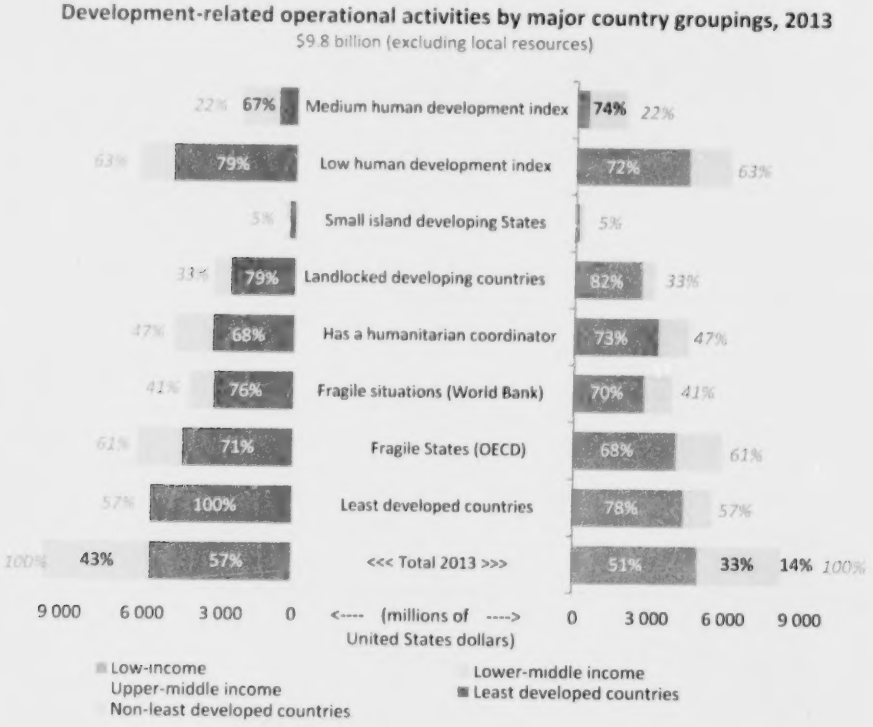
Rank	*Country*	*Core*	*Non-core*	***Total***	*Per capita*
1	Afghanistan	63	892	**954**	27
2	Nigeria	93	281	**374**	2
3	Democratic Republic of the Congo	85	238	**323**	5
4	Zimbabwe	26	275	**300**	24
5	Bangladesh	67	229	**295**	2
6	South Sudan	31	261	**292**	28
7	Sudan	22	251	**273**	8
8	Ethiopia	81	177	**258**	3
9	Somalia	36	221	**257**	27
10	Pakistan	37	178	**215**	1

Development-related programme expenditure by country grouping

34. When reviewing United Nations operational activities for development and development assistance in general, reference is often made to country groupings that are based on common attributes and characteristics. Some of the groupings are based on defined, intergovernmentally agreed lists, while others, such as groupings based on attributes such as conflict/post-conflict, crisis/post-crisis and different forms of transition, are not. Additional background information on the groupings used for the analysis herein is provided on the quadrennial comprehensive policy review website as part of the background material for the present report.

35. Figure XIII provides an overview of how country-level development-related core and non-core programme expenditure was distributed among the country groupings by different income levels (based on the 2013 classification by the World Bank) and by least-developed-country status. Low-income countries accounted for just in excess of half of total expenditure on development-related activities. Least developed countries accounted for 57 per cent of total development-related expenditure, an increase from 53 per cent in 2012. Some 78 per cent of the expenditure was in low-income least developed countries. Countries with a low human development index accounted for some 63 per cent of expenditure, about 79 per cent of which was in least developed countries.

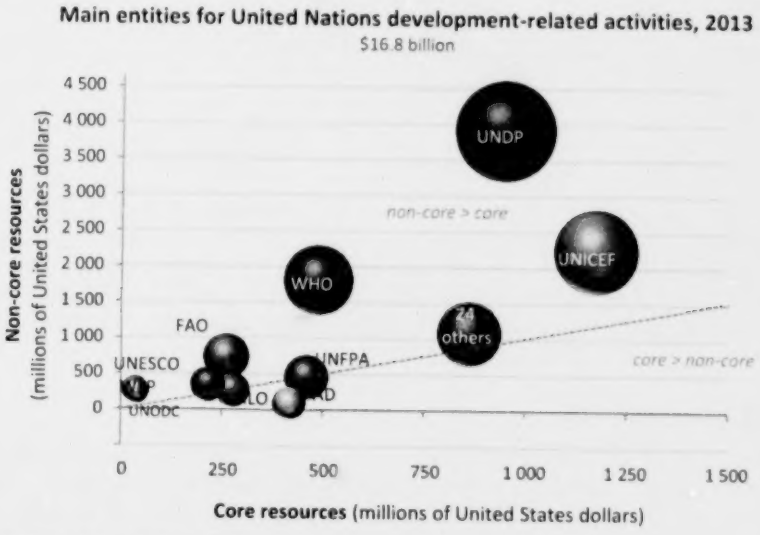
Figure XIII



United Nations entities

36. Ten United Nations entities (UNDP, UNICEF, WHO, FAO, UNFPA, ILO, UNESCO, IFAD, UNODC and WFP) accounted for 88 per cent of all contributions for development-related activities in 2013 (see fig. XIV). The top three accounted for 63 per cent and UNDP, as by far the largest entity alone, for some 29 per cent. The 24 entities not shown separately in figure XIV — or 69 per cent of those covered by the present report — accounted for the remaining 12 per cent. The non-core component of funding for almost all entities exceeds the core component, sometimes by a significant margin. In the case of UNDP, non-core contributions in 2013 accounted for 80 per cent of total contributions. Of those, about 45 per cent was accounted for by local resources (28 per cent) and two global funds, namely the Global Fund to Fight AIDS, Tuberculosis and Malaria (10 per cent) and the Global Environment Facility (7 per cent).

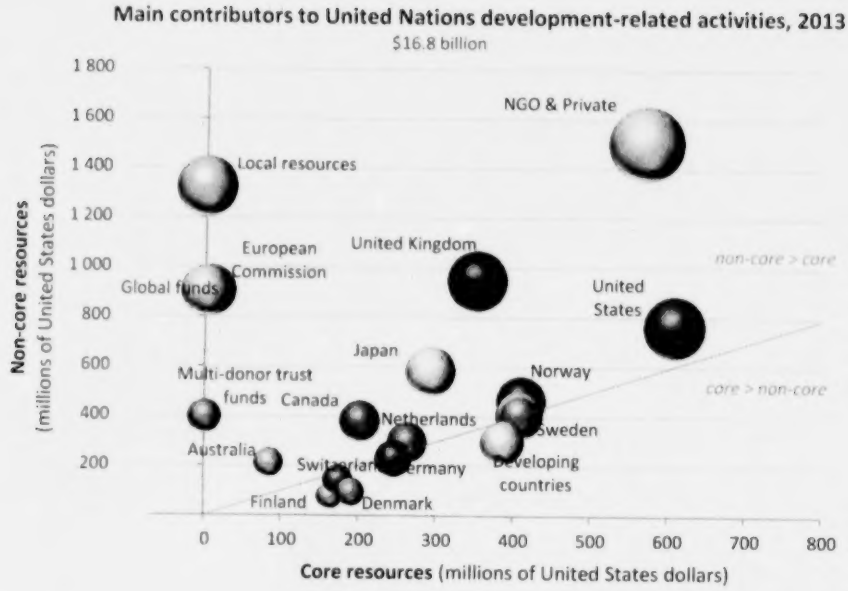
Figure XIV



Sources of financing

37. Figure XV provides further comparative information on contributions by total and type of funding (core and non-core) by main contributors that together account for 85 per cent of total funding for development-related activities. The core component of contributions by DAC Governments for development-related activities (excluding contributions to multi-donor trust funds) was 44 per cent in 2013. Figure XV illustrates that the combined impact on the global imbalance between core and non-core resources of local resources, contributions by the European Commission, global funds, multi-donor trust funds and non-governmental and private sources is significant.

Figure XV

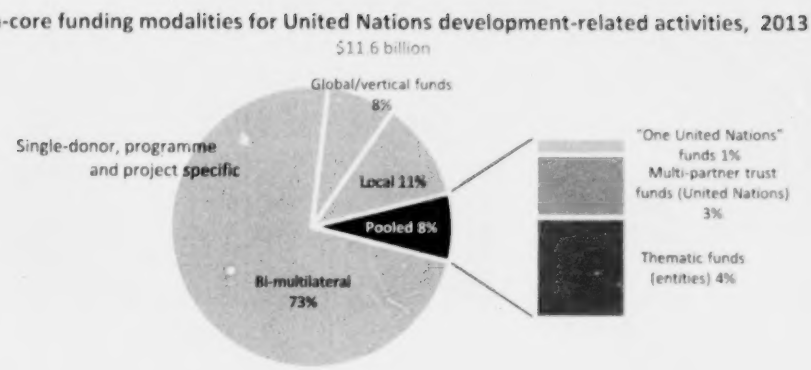


38. Contributions from developing countries for development-related activities (excluding local resources) were some $683 million in 2013, with about 57 per cent of that funding coming in the form of core resources. In addition, and as shown separately in figure XVI, developing countries contributed some $1.3 billion in the form of non-core local resources for development-related activities in their own countries.

Non-core funding modalities

39. In 2013, some 92 per cent of non-core funding for development-related activities was mainly from single donors and project specific. It included local resources and resources from the global funds, sometimes referred to as vertical funds (see fig. XVI). Such funds focus vertically on specific issues or themes and are special in that they are not directly managed by the United Nations entity through which the resources are channelled. They usually have their own funding, governance, trustee, policy and programming arrangements, with fund resources being earmarked for specific purposes. Examples are the Global Environment Facility, the Global Fund to Fight AIDS, Tuberculosis and Malaria and the Multilateral Fund for the Implementation of the Montreal Protocol. Contributions to pooled funding arrangements, such as thematic funds of entities and multi-donor trust funds, including "One United Nations" funds, accounted for the remaining 8 per cent of non-core resource flows. The dominance of single-donor and project-specific contributions reflects the current high degree of fragmentation of earmarked non-core funding. The various pooled funding arrangements are further reviewed in section II.C.

Figure XVI

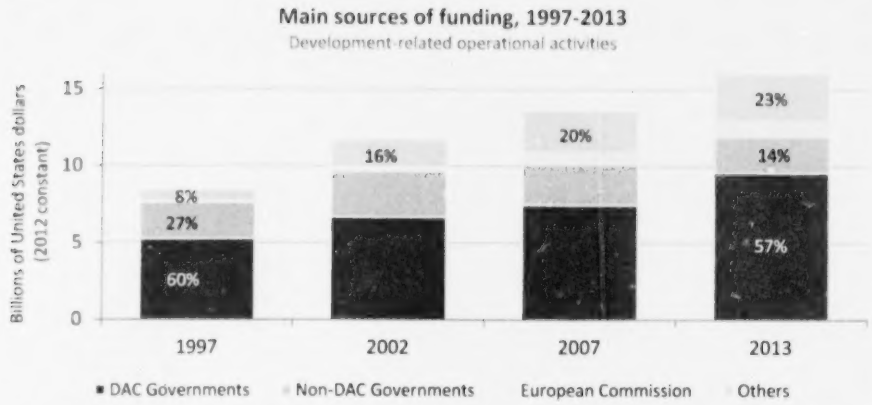

Non-core funding modalities for United Nations development-related activities, 2013
$11.6 billion
Global/vertical funds 8%
Single-donor, programme and project specific
Local 11%
Pooled 8%
Bi-multilateral 73%
"One United Nations" funds 1%
Multi-partner trust funds (United Nations) 3%
Thematic funds (entities) 4%

B. Enhancing overall funding, in particular core resources

40. As illustrated in figure II, real-term growth in funding for United Nations development-related activities was generally positive from 1998 to 2013. With regard to sources of financing for development-related activities only (63 per cent of total United Nations operational activities for development), four distinct groups of contributors emerge by the end of the period 1997-2013, indicating a broadening of the funding base over time. Figure XVII shows that the share of contributions coming directly from DAC and non-DAC Governments declined from 87 per cent in 1997 to 71 per cent in 2013. It should be noted that the contributions from those countries increased by 56 per cent in real terms during that period, meaning that the decline in share is due to more rapid growth in funding by multilateral organizations, global funds and non-governmental and private sources. In 2013, development-related contributions from that group amounted to some $4.8 billion, or roughly 29 per cent of the total, with the major sources as follows: global funds ($904 million), the European Commission ($911 million), other intergovernmental organizations ($606 million) and non-governmental organizations and private sources ($2,074 million). The last-mentioned category includes contributions by UNICEF national committees ($1,143 million). In 2007, the share was 26 per cent, indicating that the broadening of the funding base has continued in the shorter term.

41. All major funds, programmes and agencies confirmed that they had received contributions from new sources over the past 18 months. They also confirmed that they had reported to their governing bodies on specific measures to further broaden the donor base (see resolution 67/226, para. 35), including in the context of structured dialogues with governing bodies on how to finance the development results agreed in the new strategic planning cycle (see ibid., para. 46).

Figure XVII



42. The Joint Inspection Unit, as part of its programme of work for 2013, analysed the resource mobilization function within the United Nations system and issued its report in 2014 (JIU/REP/2014/1). The report contains five recommendations, two of which are addressed to the legislative bodies of the United Nations system organizations. They relate to the periodic review of resource mobilization policies and strategies and oversight of implementation and a request to Member States, when providing earmarked contributions, to make them predictable, long term and in line with the core mandate and priorities of the organizations. The three recommendations addressed to the executive heads of organizations deal with the putting in place of clearly identifiable structures and arrangements, as applicable, with primary responsibility for resource mobilization, for systematic implementation and coordination of resource mobilization policies and strategies, for monitoring and for updating; the importance of risk management and due diligence processes for resource mobilization; and the importance of dialogue with donors to agree upon common reporting requirements with a view to reducing the reporting burden and associated costs.

Critical mass of core resources and structured dialogues

43. With regard to the concept of critical mass of core resources and the definition of common principles therefor (see resolution 67/226, para. 39), a consensus has emerged that the concept can best be developed and discussed within the larger context of structured dialogues with governing bodies on how to finance the development results agreed in the new strategic planning cycle. Such an approach allows core resources to be considered in an integrated manner that takes account of the complementarity between core and non-core resources.

44. All major funds and programmes either initiated or continued such structured dialogues in 2014. UNDP, UNICEF and UNFPA (with the participation of UN-Women and WFP) developed the following common principles for the concept of critical mass of core resources:

(a) Reflects the funds needed to achieve the outcomes stated in each entity's strategic plan;

(b) Is the minimum level of resources adequate to provide the foundation from which to respond to the needs of the programme countries and deliver the results of the respective strategic plans;

(c) Reflects the specific mandates and business models of each agency;

(d) Ensures that agencies are able to respond to changing contexts or needs, including emergencies, in a stable manner and in line with their strategic plans.

45. First presented and discussed during a joint informal meeting with States in December 2013, the common principles formed the basis for continued dialogue between individual entities and their governing bodies on several occasions in 2014, taking full account of the specific mandates and business models of those entities. In the case of UNICEF, for example, the Executive Board agreed not to define any specific level of critical mass of core resources, while recognizing that a critical mass of resources was the total resources required to achieve the results of the approved strategic plan. In discussing the possibility of defining a minimum level of relatively flexible resources, however, member States acknowledged the numerous benefits to increasing the proportion of UNICEF resources that were not tightly restricted.

46. Similar understandings emerged from the dialogues pursued by other entities. UNDP, for example, has developed the concept of "critical mass plus", which calls for a shift from a high proportion of tightly earmarked non-core resources (currently 76 per cent of total resources) towards a higher proportion of core and minimally earmarked non-core resources (target of around 55 per cent), thereby providing more flexible and predictable funding for development. According to UNDP, the acceptance of such a concept, moving towards longer-term reliance on greater regular and minimally earmarked funding, would significantly improve its ability to reinforce and sustain the higher standards of quality, timeliness, flexibility, efficiency, effectiveness and accountability demanded by its strategic plan, thus allowing it to follow through on the development and programmatic logic of the plan.

47. For UNAIDS, discussions during its dialogue focused on the need to ensure the sustainability and predictability of core funding, the need for further expansion of the donor base (including middle-income countries) and the need for strengthened communication on results.

48. Another example is the UNEP funding strategy for secure, stable, adequate and increased financial resources, in particular through increased appropriations from the regular budget of the United Nations based on General Assembly resolution 67/213, by which the Assembly strengthened and upgraded UNEP, and contributions to its Environment Fund.

49. WFP does not apply the same resource classification model as other funds and programmes. During consultations over the course of the year, its Executive Board did not express any interest in shifting to a core resources funding model as such. WFP also faces the challenge of having a high level of restricted earmarking for most contributions, however. An imbalance between flexible, unearmarked and (tightly) earmarked resources equally affects the ability of WFP to carry out its strategic plan effectively and efficiently. WFP will continue the dialogue in 2015.

50. As to UNDP, UNICEF, UNFPA and UN-Women, through their respective decisions the executive boards took note of the consultative process with member States regarding possible approaches to critical mass of core resources, in line with

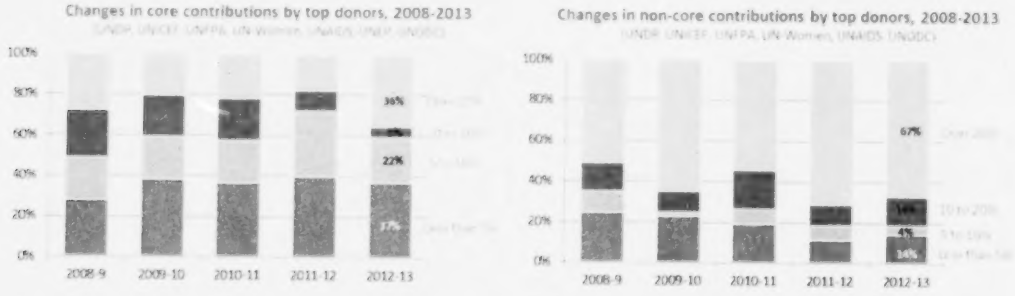
General Assembly resolution 67/226, and of the common principles for the concept of critical mass as developed by the United Nations funds and programmes. They decided to organize, on an annual basis, structured dialogues with member States to monitor and follow up on the predictability, flexibility and alignment of resources provided for the implementation of the strategic plans, including information on funding gaps. To that end, UNDP, UNICEF, UNFPA and UN-Women were each requested to submit a resource mobilization strategy and/or strategic brief for consideration in 2015. WFP already holds regular consultations on financing with its Executive Board in the course of preparing its annual management plan.

C. Improving the predictability and quality of resources

51. In previous reports, elements of the predictability, reliability and stability of funding were reviewed by examining actual fluctuations in contributions and the impact thereof on the availability of total resources over time. It was shown that, in general, there was a relatively smooth and stable movement in total core and non-core resources to entities.

52. A more detailed review, however, shows that the volatility in contributions from top donors is much more pronounced than the changes in total core and non-core contributions would suggest. Funding from individual sources can fluctuate considerably from one year to another, especially in the case of non-core resources. For core resources, 36 per cent of the contributions in 2013 by main donors to United Nations funds and programmes had either increased or decreased by more than 20 per cent compared with 2012. For non-core resources, the figure was 67 per cent. Since 2009, there has been an increasing trend of high fluctuations (see figs. XVIIIa and XVIIIb).

Figures XVIIIa and XVIIIb[15]



53. The outcome to date has included general acknowledgement of the fact that the degree to which the funding is earmarked affects the manner in which resources can actually be aligned with strategic plan outcomes and thus with more effective and efficient longer-term and responsive programming, partnership-building and complementarity within and beyond the United Nations development system. Only a successful alignment in this regard can drive the important programmatic shifts that are necessary to deliver better outcomes across a broad spectrum of concerns.

[15] Based on donors that were among the top 10 core or non-core contributors to a main United Nations fund or programme in either 2012 or 2013.

Pooled funding approaches

54. To improve the predictability and quality of resources, various funding modalities have been developed over time whereby non-core funding from several sources is pooled at the level of individual entities and/or among entities. The emergence of such modalities can be seen as a result of efforts by the international community to promote enhanced aid effectiveness, counterbalancing high fragmentation as a result of the predominantly single-donor and single-programme and project-specific nature of non-core resource flows. Only some 8 per cent of all development-related non-core resources are, however, currently being pooled in that way and no significant upward trend can be observed over the recent past. The modalities being applied fall under one of three main categories: multi-donor trust funds, thematic funds and "One United Nations" funds (see fig. XVI).

Multi-donor trust funds and thematic funds

55. Both multi-donor trust funds and thematic funds are forms of pooled resources and thus a more flexible and higher-quality form of non-core contributions. While the latter are specific to and administered by an individual entity, the former concern multi-entity operations and are, in most instances, covered by the dedicated fund administration services of the UNDP Multi-Partner Trust Fund Office on behalf of the United Nations development system. Table 2 provides information on the main contributors to multi-donor trust funds in 2013 and the main participating entities, on the basis of the amounts that the Office, as administrative agent, transferred to them in 2013 for programme implementation. The top four donors combined accounted for nearly 60 per cent of all deposits to multi-donor trust funds in 2013. UNDP is the largest implementing entity.

Table 2
Multi-donor trust funds in 2013[a]

	Main contributors			*Implementing entities*		
Rank	*Donor*	*Contributions (millions of United States dollars)*	*Share of total (percentage)*	*United Nations entity*	*Transfers received (millions of United States dollars)*	*Share of total (percentage)*
1	Norway	82	20	UNDP	108	27
2	United Kingdom	56	14	UNICEF	37	9
3	Sweden	51	13	UNOPS	35	9
4	Spain	46	12	OCHA	25	6
5	Australia	26	7	FAO	24	6
6	Netherlands	24	6	UNEP	18	4
7	Canada	21	5	WFP	17	4
8	Denmark	17	4	UN-Women	17	4
9	Luxembourg	11	3	UNFPA	12	3
10	Germany	10	2	WHO	11	3

Abbreviations: OCHA, Office for the Coordination of Humanitarian Affairs.
[a] Excluding multi-donor trust funds with a humanitarian-assistance focus.

"One United Nations" funds

56. "One United Nations" funds are multi-donor trust funds that were established specifically to support the "Delivering as one" pilot initiatives by providing principally unearmarked resources to cover funding gaps in "One United Nations" programmes.

57. Table 3 shows the amounts channelled through "One United Nations" funds, with an indication of their share of the total development-related expenditure of the United Nations development system in the eight "Delivering as one" pilot countries and, combined, in 12 other countries that subsequently adopted the "Delivering as one" approach on a voluntary basis and reported "One United Nations" fund expenditure in 2013. While the $84.7 million in "One United Nations" fund expenditure in the pilot countries represents a decline of 37 per cent compared with the expenditure in 2010, it is important to note that the decline is similar to the decline of 39 per cent in overall United Nations development-related expenditure in those eight countries during the same period.

Table 3
"One United Nations" funds in 2013

Recipient country	*"One United Nations" fund expenditure (millions of United States dollars)*	*Total United Nations development-related expenditure (millions of United States dollars)*	*"One United Nations" fund share of total (percentage)*
Pilot countries			
Albania	2.1	15.3	14.0
Cabo Verde	1.7	17.8	9.8
Mozambique	6.6	119.0	12.5
Pakistan	14.8	215.0	7.2
Rwanda	10.4	66.0	15.7
United Republic of Tanzania	32.6	114.2	28.5
Uruguay	1.0	12.8	7.8
Viet Nam	6.5	75.5	8.6
Subtotal	**84.7**	**516.5**	**16.4**
Non-pilot countries (28)	23.9	767.3	3.1
Total	**108.6**	**1 283.8**	**8.5**

Joint programmes

58. While not a separate type of third-party pooled funding modality, joint programmes can be regarded as a form of pooling of resources by United Nations entities developed to contribute to making United Nations operational activities for development more coherent, effective and efficient. A joint programme supports a strategic vision, outlined in a joint programme document, with a well-defined results framework, workplan and related budget. It is based on a partnership involving normally two to five United Nations organizations, their national or subnational governmental partners and other stakeholders. At the country level, the

programmatic scope is aligned with national priorities, as reflected in a United Nations Development Assistance Framework/"One United Nations" country programme or equivalent programming framework. Joint programmes are mostly financed from non-core resources.[16]

59. In 2013, the Secretary-General reviewed the types of joint programme that have been established (see A/68/97-E/2013/87). Information since collected shows that from 2011 to 2013 joint programmes amounted to about 2 per cent of total non-core funding for United Nations development-related activities. More detailed information on the trend of funding for joint programmes is included in the background material for the present report.[17]

60. UNDG launched several initiatives aimed at further strengthening the use and management of joint funding mechanisms and approaches in order to improve the quality of non-core resources. In the context of the standard operating procedures for countries adopting the "Delivering as one" approach adopted in July 2014 (see para. 116), it issued revised guidelines for joint programmes and guidance on thresholds, resource mobilization and allocation criteria in multi-donor trust funds and "One United Nations" funds.

Common budgetary frameworks

61. In examining the development and use of integrated strategic and multi-year financing frameworks in support of resource mobilization, a review was undertaken of the extent to which common budgetary frameworks have been introduced at the country level. The concept of such a framework, as an integral part of the United Nations Development Assistance Framework action plan, was developed to serve as a comprehensive and results-based planning and management instrument for financial requirements and identified funding gaps for the entire Framework programming period. A current and publicly accessible common budgetary framework is also intended to serve as an instrument to enhance transparency by providing programme country Governments, development cooperation partners (donors) and other stakeholders with a simplified single reference document that covers the United Nations funding situation at any point during the programming cycle.

62. According to the survey of resident coordinators conducted by the Department of Economic and Social Affairs in 2014 in preparation for the present report, two additional countries have developed a common budgetary framework, bringing the total number to 32 (some 25 per cent of programme countries). The framework has also been retained as a core feature of the standard operating procedures for countries adopting the "Delivering as one" approach.

63. The Joint Inspection Unit, in its analysis of the resource mobilization function within the United Nations system, reviewed the experience with the common budgetary framework in a "Delivering as one" country. It found that there was general agreement that the framework was a useful tool, given that it pointed out the gaps in resources. Experience showed, however, that there remained a lack of synergy between the tools and the programmatic and budget cycles of agencies. The terminology used was not the same and there was a concern that the data being

[16] See the guidance note on joint programmes published by UNDG in June 2014.
[17] See www.un.org/en/ecosoc/newfunct/qcpr_implement.shtml.

provided were not always comparable. The Unit concluded that the issue could be addressed only at the CEB level and that resolving it would enhance the effectiveness of the framework as a tool for joint programming, resource mobilization and monitoring of the implementation of the United Nations Development Assistance Plan. Feedback obtained through the resident coordinator survey generally confirmed that challenges continued to exist with regard to the timeliness and quality of information being provided by some of the entities, hence the effort required to develop the framework into an effective instrument.

D. Ensuring full cost recovery

64. The very strong (relative) growth in non-core funded activities over the past 15 years has made the adequate attribution and recovery of institutional costs associated with supporting those activities an issue of growing concern. The principle of full cost recovery, as envisaged in resolution 67/226, is based on the premise that all activities, regardless of the source of financing and level of earmarking, benefit equally, whether directly or indirectly, from the totality of substantive and operational capacities of entities and that all non-programme costs should therefore be attributed proportionally from core and non-core funding sources. Non-programme costs are defined as those costs that cannot be directly traced to specific programme components or projects that contribute directly to the delivery of development results contained in country, regional or global programme documents or other programming instruments.[18] They include what some entities refer to as "development effectiveness".

65. The logic of the principle is reinforced by the fact that, by now, entities operate on the basis of fully integrated strategic plans and results and resources frameworks that aim at the financing of development results through core and non-core resources in an integrated manner.

66. The 2013 report on the analysis of funding of United Nations operational activities for development provides full background on the issue as it has been reviewed over time, including in the context of the quadrennial comprehensive policy review conducted in 2012 (A/68/97-E/2013/87, paras. 94-107). The analysis confirmed that the non-programme costs relating to non-core programme activities continued to draw resources from core resources for programme activities.

67. The Economic and Social Council, in its resolution 2014/14, noted the timelines agreed upon by the executive boards of UNDP, UNICEF, UNFPA and UN-Women for an independent and external assessment to be performed in 2016 of the consistency and alignment of the new cost-recovery methodology with the quadrennial comprehensive policy review. As indicated in previous reports, the new methodology does not provide for all non-programme costs to be subject to proportional cost recovery.

68. WFP is an example of an entity that pursues full cost recovery of its equivalent of non-programme costs because it finances its entire programme support and administrative budget by charging the same cost-recovery rate to its equivalent of non-earmarked core resources (multilateral contributions) and earmarked non-core

[18] According to the UNDP, UNICEF, UNFPA and UN-Women harmonized cost classification, which other organizations have agreed to use as a reference.

contributions (directed multilateral contributions). It thus follows the principle of full cost recovery as envisaged in resolution 67/226. In this regard, WFP, in dialogue with its governing body, initiated an extensive review of its method for determining its indirect support cost rate in 2014 and recommended that the Executive Board should maintain its current single-rate model as the most appropriate, transparent and simple to administer for ensuring the principle of full cost recovery. WFP expects that the full review will be concluded in 2015.

69. FAO is also developing a new comprehensive financial framework for cost recovery. The concept provides for three main benefits. First, it treats extrabudgetary resources as supporting the delivery of the programme of work in the integrated budget, not as an incremental cost. Second, it recognizes more decentralized operations, the integration of development and emergency project operations and more diverse funding sources. Third, through simplicity and transparency it aims to overcome perceptions of partners, management and staff that the current policy and its implementation are complex and inequitable.

70. In the case of WHO, proposals on the financing of administration and management, including the principle of full cost recovery, have been endorsed by the governing body. To date, no changes have been agreed to the cost-recovery rates, but a revised approach to budgeting and reporting has been agreed upon. Challenges include constraints from some voluntary donors and, in some cases, from United Nations system-wide agreements with donors.

71. The new indicator framework in the annex to the present report provides an overview of progress achieved on key funding-related issues considered in the quadrennial comprehensive policy review. Unsurprisingly, many of the trends in funding that have been in existence for well over a decade continued in 2013, after the adoption of resolution 67/226. The next edition of the present report, to be submitted in 2016, will provide an opportunity to better assess the progress made on key funding-related issues considered in the implementation of the resolution.

III. Contribution of United Nations operational activities to national capacity development and development effectiveness

A. Capacity-building and development

72. Capacity development is a core function of the United Nations development system, which is requested to build national capacity for development planning, data collection and analysis, implementation, reporting, monitoring and evaluation. It is also requested to increase the use of national public and private systems for support services and improve the sustainability of capacity-building activities.

73. Programme country Governments have consistently identified the United Nations system as a preferred provider of support, among external partners, for national capacity development, as reconfirmed in the survey conducted in 2014. In particular, programme countries have identified the coordination of capacity-building activities at the country level as one of the most significant measures that the United Nations could take to reduce the workload of national partners. Similarly, the vast majority of programme countries identified improving the sustainability of United Nations-supported projects as the most important step that the Organization could take to make its country operations more effective.

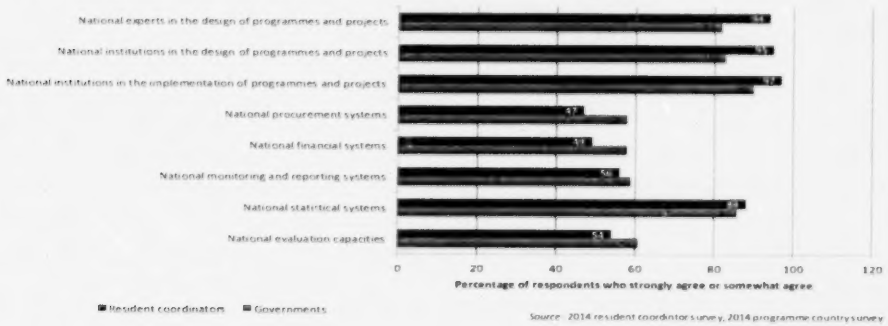
74. United Nations entities continue to improve the measurement of their performance in supporting national capacity development in their respective areas of expertise. This is being achieved by ensuring performance measurement in capacity development as part of results frameworks (e.g. ITC, OHCHR, UNFPA and UNAIDS) and by refining the methodology to measure change in capacity levels in specific programme areas (e.g. UNICEF, WFP, UNOPS and UNODC), leading to the development of new tools.[19] In preparing their strategic plans, UNDP, UNFPA, UNICEF, UN-Women and WFP established a peer group at the headquarters level, which led to the adoption of harmonized language and methods to monitor agency-specific work in the area of capacity-building.

75. Work needs to be accelerated to develop a common approach to measuring progress in capacity development. UNDG is currently working on such an approach, which aims to ensure that United Nations Development Assistance Frameworks and other planning instruments place capacity development at the centre of strategic planning, including through the use of existing national capacity and the strengthening of national ownership. The approach is planned to be ready for reporting on indicators in 2015.

76. Feedback from both programme country Governments and resident coordinators reveals that the United Nations system largely uses national experts and institutions in the design and implementation of projects and programmes (see fig. XIX). Nevertheless, according to the same surveys, national monitoring and reporting systems and national procurement, financial and evaluation capacity have been underused. For example, 58 per cent of United Nations country teams carry out 90 per cent or more of the annual United Nations-financed procurement volume at the country level, without involving national institutions. About 20 per cent of country teams have established a strategy to strengthen government procurement capacity. The perceptions about the extent to which such systems and capacity are used do not correlate with the levels of income of programme countries, but with the actual capacity of national institutions.[20]

Figure XIX

Extent to which resident coordinators and programme country Governments agree that national institutions are used as much as possible



Source: 2014 resident coordinator survey, 2014 programme country survey

[19] For example, a multiple indicator cluster survey as a capacity-building tool for national and local statistical and government bodies and a national capacity index and sustainability marker.

[20] Usually, United Nations country teams base their assessments of the use of national institutions on the macroassessments and microassessments carried out under the harmonized approach to cash transfers at the beginning of each cycle.

77. The lack of use of national systems should not be oversimplified as an issue of lack of willingness. Feedback from the field points to multiple challenges. It was observed by some resident coordinators that the limited capacity of national institutions, the lack of transparency and accountability, the frequent changes within government institutions, especially in terms of staff turnover, and the sometime stringent donor requirements constituted hindrances to greater use. From the perspective of Governments, the United Nations may appear risk averse: in a non-core-funded environment, arrangements are not always optimal for ensuring the appropriate sharing of risks. United Nations procedures are also sometimes seen as too complex to allow for the use of national systems. Lastly, resources are lacking in support of national capacity development in results-based management, monitoring and evaluation.

78. In a post-2015 context, joint and coordinated responses to capacity-development needs are more crucial than ever. The United Nations development system must critically review its internal capacity to support countries to deliver on the post-2015 development agenda. A common approach to supporting the development of functional capacity must be combined with a customized approach to supporting technical or sector capacity by United Nations entities. A collective response goes beyond common concepts, policies and approaches and reaches the operational aspects of delivering. United Nations operational regulations and mechanisms should ensure the ability to the deliver (see sect. IV). Furthermore, different funding modalities also have different economic and political implications for capacity development. The extent to which current funding modalities provide coherent but differentiated support tailored to different country needs should be assessed and communicated to Member States in order to identify a sustainable solution.

79. Ultimately, capacity development is much more than training or provision of information or use of national expertise. It is about the sustainable strengthening and use of national systems and a shift in the locus of decision-making and mindsets. United Nations business models and incentives must support this approach.

B. Poverty eradication

80. About 1 in 5 persons in developing regions still lives on less than $1.25 per day. Vulnerable employment accounts for 56 per cent of all employment in developing regions. While most of the poor live in a few middle-income countries, high poverty rates prevail in small, fragile and conflict-affected countries. Poverty eradication is closely interlinked with most thematic areas for United Nations assistance and at the same time remains an important stand-alone priority for many programme countries. According to the programme country survey, about 42 per cent of programme country Governments placed poverty reduction among the five most important thematic areas for United Nations assistance in the coming four years.

81. The focus on poverty reduction of the United Nations system is well recognized by programme countries and by the United Nations development system. In total, 93 per cent of Governments agreed that the Organization was effective in ensuring that adequate attention and resources were given to the needs of the

poorest and most vulnerable segments of society. Some 46 per cent stated that the Organization's contribution had been especially significant in the area of poverty reduction.

82. The United Nations development system has accelerated its efforts, coordinated through the Millennium Development Goals Task Force, to support programme countries to attain the Goals, including poverty reduction. Since 2010, 56 United Nations country teams from all regions have used the Millennium Development Goals Acceleration Framework to support Governments to identify bottlenecks to equitable progress and accord priority to clearing them. Consequently, countries have developed and are implementing specific action plans in the areas of maternal health, child mortality, poverty, hunger, employment, gender equality, water and sanitation and HIV/AIDS at both the national and subnational levels. The strategic plans of many of the funds and programmes and specialized agencies contain references to poverty eradication and the three dimensions of sustainable development as the foundation for their strategic orientation and planning.

83. The system-wide plan of action for the implementation of the Second United Nations Decade for the Eradication of Poverty (2008-2017) has served to coordinate the efforts of the United Nations system in providing advisory and programmatic support to Member States with regard to poverty eradication. Throughout the system, those efforts have continued to focus on supporting the Social Protection Floor Initiative and pro-poor investments in human capital, job creation and green growth, especially through experience and knowledge-sharing (see A/68/183). Many agency-specific and joint projects and activities were conducted during the reporting period.

84. At the country level, the adoption of the "Delivering as one" approach, including the standard operating procedures, holds the potential to better address poverty eradication. A significantly higher percentage of "Delivering as one" programme countries (53 per cent) strongly agreed that the United Nations was effective in ensuring that adequate attention and resources were given to the development needs of the poorest and most vulnerable segments of society, compared with 17 per cent in the case of non-"Delivering as one" countries.

85. The changing development landscape and the increasing diversity of countries indicate that there is a need to provide more targeted solutions. Similar to other programme areas, this requires adjustments to the operating systems, including funding, business practices and capacity. There is a need to better communicate to Member States the results achieved by the United Nations system in eradicating poverty. Although there exist evaluations of agency-specific contributions in this regard, challenges persist when it comes to identifying system-wide contributions.

C. South-South cooperation and development of national capacity

86. Demand from programme countries for the United Nations to support South-South cooperation continues. Nearly 80 per cent of resident coordinators that responded to the survey conducted by the Department of Economic and Social Affairs had received requests from programme country Governments to support their cooperation with other developing countries. The provision of access to the knowledge and expertise of other developing countries and the identification of

cooperation partners were identified as the main form of support needed. The principal areas highlighted were industry, trade and investment, knowledge and technology transfer, economic growth and employment, and environment and national resources.

87. The United Nations development system has systematically increased its focus on South-South cooperation in the past two years. More than 80 per cent of United Nations Development Assistance Frameworks or equivalent frameworks include programming of support to South-South and triangular cooperation, according to the resident coordinator survey. In total, 20 of the 22 entities that responded to the headquarters survey carried out by the Department of Economic and Social Affairs stated that South-South cooperation had been integrated into their strategic plans, while 11 confirmed that some form of support was provided to the projects managed and supported by the United Nations Office for South-South Cooperation, with a majority being specialized agencies.

88. Reporting on and evaluation of support to South-South cooperation are being strengthened. A total of 18 of the 22 entities surveyed by the Department of Economic and Social Affairs said that they had reported on South-South cooperation in their annual reports. It was also reported that UNDP, FAO, WIPO and ILO had undertaken evaluations and assessments of South-South cooperation, which had informed their institutional policies and strategies (see A/69/153).

89. Most United Nations entities highlighted their increasing role as brokers of knowledge, supporters of capacity development and facilitators of partnerships. In that regard, the funds and programmes point out in their strategic plans that the support requested by countries is changing and that a more active role is required to shift from directly providing support to playing a facilitative role by building relationships at the regional level, engaging Governments, academic institutions, civil society and the private sector.

90. Currently, scaling up United Nations support for South-South cooperation faces some challenges. First, several entities reported that they relied on extrabudgetary resources when it came to providing such support. Some resident coordinators commented that there was insufficient in-house capacity at the country level and that resources were lacking to bring in support from non-resident agencies. Second, institutional strategy and policy on South-South cooperation can be further enhanced. Several agencies either have adopted or are implementing strategies (e.g. ILO in 2012). Others are taking on the challenge by developing dedicated South-South cooperation strategies (e.g. UNDP and WFP) or piloting funding mechanisms for South-South partnerships (e.g. UNEP). There is, however, room for further sharing of knowledge among agencies on best practices and case studies. Lastly, it was also observed that, in some cases, the lack of a government focal point dealing with South-South cooperation could hinder United Nations support.

91. Such challenges need to be tackled systematically and institutionally. First and foremost, there has to be a clear understanding of the role of the United Nations system in South-South cooperation and an assessment of the commensurate capacity needed. It is evident from the survey of programme countries that the system is expected to facilitate South-South exchanges. Second, institutional strategies and operational rules and regulations should ensure that the solutions and expertise of the South are integrated into United Nations operational activities effectively and

efficiently. Third, some innovative funding modalities could be explored in an environment in which the core or regular budget of the system remains constrained.

92. The High-level Committee on South-South Cooperation has requested the Chair of UNDG to establish a more formalized and strengthened inter-agency mechanism coordinated by the United Nations Office for South-South Cooperation. Terms of reference are being developed. The lessons learned from the continuing efforts to strengthen the capacity of the United Nations system to support South-South cooperation can be shared through such a mechanism.

D. Gender equality and women's empowerment

93. The United Nations development system has made progress in implementing the mandates set out in resolution 67/226 on gender equality and women's empowerment. Some 90 per cent of all United Nations entities reported on the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women in 2013, an increase from 82 per cent in 2012. The second year of the implementation of the Action Plan resulted in progress against 14 of the 15 performance indicators. For the coherence indicator, the United Nations system is close to meeting its target, with 88 per cent of entities having met the requirements. Entities continue, however, to exceed the requirements in only a few instances, demonstrating that there continues to be room for improvement for the system as a whole to demonstrate excellence in gender mainstreaming.

94. Recent policy developments have contributed to the progress made. For example, a gender equality marker guidance note was endorsed by UNDG in September 2013 and a minimum set of 52 gender indicators developed by the Inter-Agency and Expert Group on Gender Statistics were endorsed by the Statistical Commission. At the operational level, UN-Women, UNFPA, UNDP, UNICEF and the UNDP-Spain Millennium Development Goals Achievement Fund finalized joint evaluations of joint gender programmes and agreed on a joint management response to follow up on the recommendations.

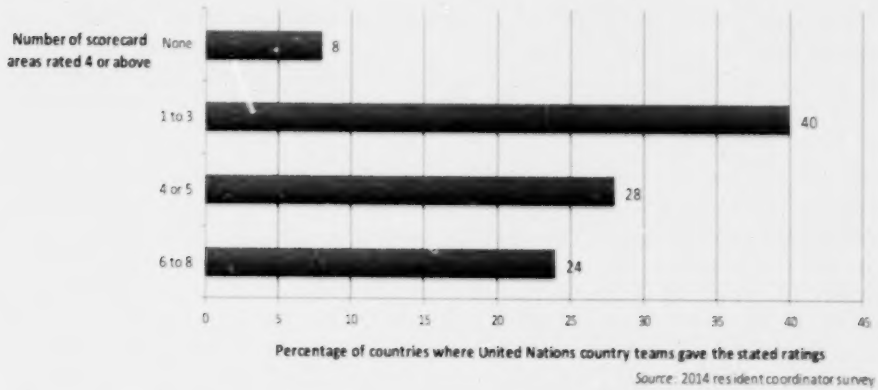
95. Currently, some 45 per cent of United Nations Development Assistance Frameworks feature specific results on gender equality. Following the creation of a dedicated roster of United Nations gender experts, UNDG developed and circulated a resource book for mainstreaming gender in United Nations common programming at the country level. Many United Nations country teams have used country-level accountability tools such as the gender scorecard to inform the strategic planning and prioritization of interventions supported by the United Nations, including by developing action plans to follow up on recommendations. The survey of resident coordinators confirmed that most country teams (52 per cent) that had conducted a gender scorecard in the past three years featured a rating of 4 or above[21] in most of the eight performance areas[22] (see fig. XX), with only 8 per cent of country teams scoring low across all performance areas. The actual uptake of scorecards by country teams, however, could be higher (37 per cent of the country teams that

[21] Scores were based on a rating system of 0 to 5, with 5 representing the highest rating. Universal targets for all dimensions are 4 or above. A rating of 4 is defined as "meets minimum standards".

[22] Planning, programming, partnerships, policies and capacity, decision-making, budgeting, monitoring and evaluation, quality control and accountability.

responded had completed it, with 50 per cent planning to complete it in the coming 12 months).

Figure XX
Percentage of countries with gender scorecard areas rated 4 or above



Source: 2014 resident coordinator survey

96. The Task Team on Gender Equality is undertaking another global review of the gender scorecard, the second since the tool was launched in 2008. It will consolidate lessons learned by United Nations country teams and look into how to further enhance the strategic use of gender scorecards, also building on the implementation of the United Nations System-wide Action Plan, and ensure that the United Nations system at the country level becomes fully fit to deliver on the gender equality agenda in the post-2015 development environment. Inter-agency collaboration among country teams has resulted in more coherent approaches and increased accountability for gender mainstreaming results. According to the latest available data from the resident coordinator annual reports, 104 gender theme groups are working to support the resident coordinators and country teams in moving the gender equality agenda forward. The recent roll-out of the standard operating procedures offers a key opportunity to further enhance United Nations operational coherence in the area of gender equality and women's empowerment.

97. The guidelines on joint programming revised recently in the framework of the standard operating procedures will offer a key opportunity to further enhance operational coherence and inter-agency collaboration in the area of gender equality and women's empowerment.

E. Transition from relief to development and disaster risk reduction

98. In the past year, several countries lapsed or relapsed into conflict. Furthermore, 2014 saw a major surge in humanitarian crises, with some 102 million people estimated to be in need of humanitarian assistance.[23] In June 2014, UNHCR reported that the number of refugees, asylum seekers and internally displaced

[23] Office for the Coordination of Humanitarian Affairs, "Global humanitarian overview: status report" (Geneva, August 2014).

people worldwide had, for the first time in the post-Second World War era, exceeded 50 million people.[24]

99. This trend makes it imperative for the United Nations development system to ensure that it is able to respond effectively to the needs of countries in crisis and in transition from relief to development.

100. Recovery is a process that bridges short-term emergency response and long-term development action. It has, however, usually been limited to short-term investment mainly focused on repairing or reconstructing damaged infrastructure, while the socioeconomic and human development aspects needed for full restoration are often neglected.

101. An integrated vision of various sectors should be promoted through the leadership of national Governments and the support of the United Nations system and development partners, to begin during the humanitarian phase and set the basis for a full recovery. In addition, United Nations Development Assistance Frameworks could also pay still-stronger attention to risk reduction and the needs of vulnerable groups. A strong partnership between the humanitarian and development arms of the United Nations development system is needed to ensure that the transition from relief to development is well coordinated, consistent and aligned with the requirements of the post-2015 development agenda.

102. In 2013, the Secretary-General approved a policy on integrated assessment and planning and a policy on United Nations transitions in the context of mission drawdown or withdrawal. The former is applicable in all settings in which an integrated United Nations presence is in place or being considered. It calls for the regular assessment of opportunities to combine planning frameworks and harmonize planning processes for peace consolidation activities, with due consideration for programming and budgetary cycles and agency mandates and principles. It also recommends coordination on entity-specific operational and budgetary planning, within applicable rules and regulations.

103. The level of coherence between United Nations missions and the resident coordinator/United Nations country team was perceived to have increased significantly in 2013. According to the UNDG coordination support survey, 66 per cent of country team members based in countries where missions were present were of the view that there had been a significant increase in coherence.

104. From the perspective of resident coordinators, there also appears to have been notable progress in coordination with the Bretton Woods institutions, in particular the World Bank. For example, 42 per cent of all responding resident coordinators from countries in transition from relief to development stated that their country team had concluded an agreement or arrangement, such as a joint needs assessment, with key partners such as the Bank in response to a crisis in the past two years. In 2014, numerous joint initiatives between the United Nations system and the Bank in conflict-related contexts were undertaken in the Central African Republic, Somalia, South Sudan, Yemen and the Great Lakes region, among others, in addition to the continuing close cooperation in the Democratic Republic of the Congo and Liberia. The initiatives cover activities at the strategic level, including joint assessments, planning and results frameworks, funding mechanisms and staff secondment.

[24] UNHCR, "UNHCR global trends 2013: war's human cost" (Geneva, 2014).

105. The United Nations development system continues to step up its investment in disaster risk reduction, building on its comparative advantage, experience and implementation at the country level. As at May 2014, 12 United Nations organizations had accorded priority to disaster risk reduction in their strategic workplans for 2014-2017 and were including disaster risk reduction in their respective results-based monitoring frameworks, representing an increase of 70 per cent in comparison with the previous work planning cycle. At the country level, 79 per cent of new United Nations Development Assistance Frameworks included disaster and climate risk in 2014. Complementing those efforts, the United Nations Plan of Action on Disaster Risk Reduction for Resilience, which identifies priorities for joint action on disaster risk reduction by United Nations agencies, has been recognized as an important contribution in the implementation of the quadrennial comprehensive policy review (see resolution 68/211).

106. Two inter-agency task teams have developed modalities to provide resources to resident coordinators and United Nations country teams in their work on disaster risk reduction. A monitoring framework, including indicators to measure progress by the United Nations system against the Plan of Action, is currently under development.

107. The United Nations system is increasingly recognizing the importance of strengthening and/or streamlining action to fill short-term peacebuilding gaps with long-term peacebuilding support. Agencies and the Secretariat have striven to address the linkages between humanitarian, development and political actors for the purpose of maximizing peacebuilding efforts, including through the development of the corresponding tools, including the deployment of peace and development advisers through a joint UNDP-Department of Political Affairs programme on building national capacity for conflict prevention. There is a need to assess the implementation of the policies and tools and identify and adapt to emerging challenges.

IV. Improved functioning of the United Nations development system

108. From the perspective of programme country Governments, the United Nations development system is gaining relevance. For example, 86 per cent of Governments considered the United Nations a more relevant partner than it was two years previously. At the same time, Governments pointed out key areas to improve the Organization's relevance, most notably improving coordination and avoiding competition and duplication, being more transparent about procedures, improving reporting to national authorities and adjusting focus to a limited number of areas.

Alignment of strategic plans with the quadrennial comprehensive policy review

109. Over the past two years, notable progress has been made in aligning planning and budgeting cycles with the quadrennial comprehensive policy review. Several specialized agencies have made adjustments. A total of 15 of the 22 entities[25] indicated that their cycles were already aligned with the review, compared with 13

[25] The 22 funds, programmes, specialized agencies and other entities accounted for 97 per cent of both total and development-related operational activities for development of the United Nations system in 2013.

in the previous report (see table 4). In total, 13 entities said that they had submitted annual reports on the implementation of the review to their governing bodies, compared with 10 in the previous reporting cycle. Further alignment would allow the United Nations development system to plan in line with the review guidance and report coherently.

Table 4
Alignment of strategic planning cycles with the quadrennial comprehensive policy review cycle

Entity	*Strategic planning document*	*Planning cycle*			*Annual review reporting to governing body*
		Number of years[a]	*Present (and future where relevant)*	*Review alignment*	
Funds and programmes					
UNDP (including United Nations Volunteers and United Nations Capital Development Fund)	Strategic plan	4	2014-2017	Yes	Yes
UNFPA	Strategic plan	4	2014-2017	Yes	Yes
UNICEF	Strategic plan	4	2014-2017	Yes	Yes
WFP	Strategic plan	4	2014-2017	Yes	Yes
UN-Habitat[b]	Strategic plan	6	2014-2019	In progress	Yes
UNHCR	Biennial programme	2	2014-2015	Yes	No[c]
UNRWA	Medium-term plan	6	2010-2015 2016-2021	No	No
Specialized agencies					
ILO[d]	Strategic policy framework	6+2	2010-2015 2018-2021	Partial	Yes[e]
FAO	Medium-term plan	4	2014-2017	Yes	Yes[f]
UNESCO[g]	Medium-term strategy	4	2014-2017	Yes	No
WHO	General programme of work	6	2014-2019	No	Yes
IFAD	Strategic framework	5	2011-2015 2016-2020	No	No
UNIDO	Medium-term programme framework	4	2014-2017[h]	Yes	Yes

Entity	Strategic planning document	Number of years[a]	Planning cycle: Present (and future where relevant)		Review alignment	Annual review reporting to governing body
Other entities						
UN-Women	Strategic plan	4	2014-2017		Yes	Yes
UNAIDS[c]	Strategic framework	5+6	2011-2015 and 2016-2021		Yes	Yes
UNODC	Biennial programme[d]	2	2014-2015		Yes	No
UNCTAD	Biennial programme	2	2014-2015		Yes	No
UNEP	Medium-term strategy	4	2014-2017		Yes	No
OHCHR	Management plan	4	2014-2017		Yes	No
ITC[e]	Strategic plan	3	–	2015-2017	Partial	No
UNOPS	Strategic plan	4	2014-2017	Yes	Yes	
UNISDR	Strategic framework biennial work programme	2	2013-2015	No	Yes	

[a] Years reflected are those of the current programming cycle or those stipulated by the most current decisions of governing bodies and will be reflected in the next programming cycle.
[b] Efforts are currently under way to achieve full alignment with the cycle in the future.
[c] Reporting on action taken or planned is conducted within overall annual reporting, without specific reference to the quadrennial comprehensive policy review.
[d] The governing body has agreed to adopt a transitional arrangement for 2016-2017 with the goal of having full alignment with the 2018-2021 review cycle.
[e] This is not obligatory, but actions under the various chapters (e.g. United Nations Development Assistance Framework, South-South cooperation) are regularly part of the narrative of papers submitted to the governing body.
[f] Reporting takes place every two years.
[g] In its 36 C/Resolution 105, the General Conference of UNESCO decided to extend the programming cycle of the medium-term strategy from six to eight years, with a four-year programme and budget framework as a mechanism to adjust with the quadrennial comprehensive policy review cycle. The information was reported to the Department of Economic and Social Affairs in 2013, but no new information was provided in 2014.
[h] The medium-term programme framework is aligned with the review. It depends also on the budget cycle (in this case, biennial).
[i] At its meeting in December 2014, the Programme Coordinating Board requested the extension of the current UNAIDS strategy to cover the period 2016-2021, thus aligning the strategy, planning and budgetary cycle with the quadrennial comprehensive policy review cycle.
[j] UNODC adopts a strategy every four years to guide the development of the biennial strategic framework.
[k] The new strategic plan is for the period 2015-2017, in part to accommodate the full biennium 2016-2017.

A. United Nations Development Assistance Framework

110. The United Nations Development Assistance Framework continues to serve as a key tool for strengthening coherence at the country level. Some 86 per cent of programme country Governments stated that it or another United Nations common planning framework had helped the Organization to achieve better results than if each United Nations agency had planned its support separately. A larger proportion of Governments in "Delivering as one" countries (63 per cent) strongly agreed on the value of the Framework, compared with other countries (42 per cent).

111. The introduction of a United Nations Development Assistance Framework or another United Nations common planning framework has clearly enabled Governments to ensure that United Nations activities are more closely aligned with national plans and strategies. About two thirds of resident coordinators confirmed that the period of the Framework was aligned with government planning cycles. Some 94 per cent of Governments perceived the Framework to be a valuable instrument that ensured national ownership and leadership. National ownership has been reinforced by joint national and United Nations steering committees. There is a joint steering committee in 68 per cent of the 78 countries from which the Department of Economic and Social Affairs received responses through the resident coordinator survey. More than 74 per cent of Governments stated that their participation had allowed them to exercise leadership over United Nations programmes.

112. United Nations system reporting to Governments has been improving in frequency and quality. Some 76 per cent of resident coordinators confirmed that the reports were structured around the outcomes of the United Nations Development Assistance Framework, while around 50 per cent stated that the reports were linked to national development results or informed Governments on the results of the United Nations country team as a whole.

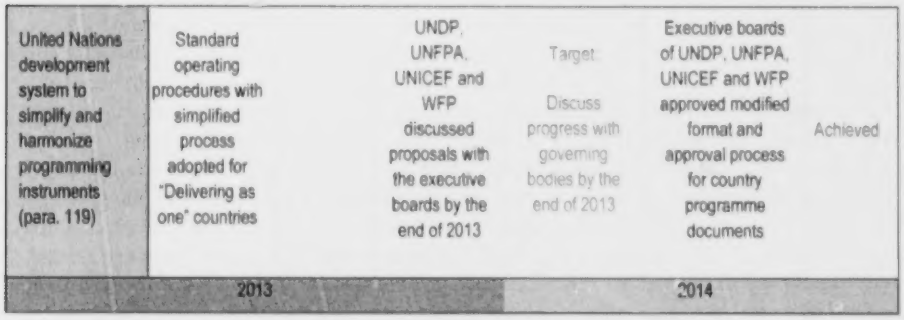
113. There remains a need to improve the balance of effective and efficient reporting on contributions to national results, to the outcomes of United Nations Development Assistance Frameworks and to the outcomes of the strategic plans of individual agencies. The preparation of joint United Nations system results reporting implies that there is a need for consistent agency approaches to measuring results and adds to the type and scope of reports that agencies need to prepare in order to satisfy different constituencies. In this regard, and as reflected in the UNDG Plan of Action for Headquarters, adopted in February 2014, the introduction of a system-wide template for the United Nations country results report will help to tackle the issue of separate (and often uncoordinated) reporting requirements by donors and governing bodies of agencies.

114. The United Nations development system has made progress in simplifying agency-specific programming instruments and processes in alignment with the United Nations Development Assistance Framework (see fig. XXI). In total, 13 United Nations entities reported having developed specific measures to simplify and harmonize their agency-specific programming instruments and have discussed them with their governing boards beginning in 2014. Notably, the executive boards of UNDP, UNFPA, UNICEF and WFP at their first regular session of 2014 approved a modified format and procedures for country programme documents, including a simplified one-step approval procedure for country programmes. The modifications

strengthen the alignment of country programmes with the United Nations Development Assistance Frameworks and the strategic plans of the funds and programmes.

115. Several other United Nations entities have underlined their specific plans in this regard. For example, ILO is revising its decent work country programme guidance in line with the United Nations Development Assistance Framework results-based management programming guidelines while ensuring that tripartism, social dialogue and respect for rights at work as human rights underpin all aspects of its operational activities. OHCHR added instructions to its planning guidelines for the period 2014-2017 to ensure the alignment of planning notes with existing United Nations common programming documents. UNHCR is developing a guidance note for country teams to ensure systematic engagement with the Framework and other relevant country strategic planning processes. FAO underscored its policy to adhere to United Nations programming principles and the harmonization between the FAO country programming frameworks and the Framework. UNEP increased its participation in United Nations country teams and Framework formulation as a result of the decision by the General Assembly to strengthen the regional presence of UNEP following the United Nations Conference on Sustainable Development. The joint programme monitoring system of UNAIDS has been developed and refined in a way to enable reporting of results on AIDS on the basis of each country's Framework, to avoid duplication.

Figure XXI
Time-bound action relating to the United Nations Development Assistance Framework


United Nations development system to simplify and harmonize programming instruments (para. 119)
Standard operating procedures with simplified process adopted for "Delivering as one" countries
UNDP, UNFPA, UNICEF and WFP discussed proposals with the executive boards by the end of 2013
Target:
Discuss progress with governing bodies by the end of 2013
Executive boards of UNDP, UNFPA, UNICEF and WFP approved modified format and approval process for country programme documents
Achieved
2013
2014

116. The United Nations Development Assistance Framework has recently been enhanced through the adoption of an integrated package of support for United Nations country teams for the implementation of the standard operating procedures for countries adopting the "Delivering as one" approach (see sect. IV.C). The roll-out of those procedures further supports the simplification of the Framework as a strategic and results-oriented planning instrument. The roll-out of the Framework in 80 countries in the period 2014-2015 offers an opportunity for more inclusive inter-agency common programming at the country level. The planning process must involve all United Nations country team members, including non-resident agencies, through the establishment and strengthening of inter-agency results groups that coordinate planning, implementation, monitoring and evaluation, the use of common results-based management tools and standards and the direct operationalization of the Framework into joint workplans that reflect clear agency-specific comparative advantage and accountability for results and resources.

117. The United Nations Development Assistance Framework continues to be a vital programming instrument for system-wide coherence at the country level. While it has improved the planning phase, there is much scope for improvement at the implementation phase. Governments called for improved monitoring in harmony with government systems, together with regular reporting and evaluation of results. The United Nations system also needs to speed up efforts to simplify agency-specific reporting and programming instruments to reduce transaction costs for United Nations country teams.

118. Much of the work of the United Nations in building coherence in its programming instruments (such as the United Nations Development Assistance Framework and the common country assessment) is based on the assumption that programme countries want a structured programme package from the full United Nations development system. This has been confirmed in some measure by the survey of programme countries. The continued validity of that assumption may remain true for countries with limited institutional capacity to manage themselves their programmes of external assistance. As developing countries move gradually towards stronger national management capacity, it is to be expected that more countries will provide their own management of their strategies for external partnership and cooperation. Appropriately adapting United Nations programming modalities will therefore require significant differentiation on the basis of the capacity and preferences of the countries.

B. Resident coordinator system

119. The management and accountability system of the resident coordinator system is being increasingly institutionalized. According to information provided by UNDG, as at November 2014, 11 participating United Nations entities had fully implemented the mutual accountability criteria, 8 had partially implemented them and 1 had not implemented any of them. Of the four criteria, an increasing number of United Nations entities recognize the reporting obligations of the United Nations country team members to the resident coordinator and have included formal input of the resident coordinator into the performance appraisal of their agency representatives. For example, 13 of the 21 entities that signed up to the management and accountability system reported that providing information to the resident coordinator on the agency's contribution to the United Nations Development Assistance Framework had been made a requirement for agency representatives. Similarly, 12 entities reported that they had included input from the resident coordinator in the performance appraisals of their country representatives, while 15 agencies reported that they had included the results of the United Nations country team workplan in the performance appraisals of their representatives.

120. UNDG has taken significant steps to clarify the leadership role of the resident coordinator by updating the job description and incorporating the enhanced planning and coordination function. The resident coordinator is empowered to propose to members of United Nations country teams and non-resident agencies, in consultation with Governments and country team members, amendments to the United Nations Development Assistance Framework if it is determined that some activities are no longer aligned with the broader strategy of the United Nations development system in response to the national needs, priorities and challenges of the programme country, as called for in resolution 67/226.

121. Continued efforts have been made to ensure the effectiveness of the functional firewall between the resident coordinator function and the UNDP resident representative function. UNDP has established and currently has in place 50 encumbered positions of Country Director. It has committed itself to further improving the effectiveness of the functional firewall by continuing to ensure that resident coordinators/resident representatives sign letters of delegation of authority to UNDP country directors for day-to-day UNDP management duties, so that resident coordinators can be fully available for their system-wide tasks. UNDP has also revised the job description for the post of Country Director to underscore the delegated authority to represent UNDP in the United Nations Development Assistance Framework, United Nations country team and other "One United Nations" processes, while ensuring the effective use of UNDP programme, operations, implementation, assessment and quality guidelines, standards and tools. According to the results of the resident coordinator survey, in the countries in which UNDP has established a position of Country Director, about 85 per cent of country directors have received formal delegations of authority that include resource mobilization on behalf of UNDP. In addition, the job description for the post of UNDP Resident Representative has been modified to reflect that flexibility. In accordance with the management and accountability system, however, a resident coordinator is also a UNDP resident representative and as such remains accountable overall for UNDP programme and operations.

122. The implementation of the management and accountability system at the country level is under way. According to the UNDG coordination support survey, 71 per cent of United Nations country team members[26] were of the view that resident coordinators were fully empowered to lead the country team strategically in a country. Some 86 per cent of country team members stated that their job descriptions recognized the role of the resident coordinator and 73 per cent confirmed that their performance appraisal systems reflected country team workplan results, while 67 per cent confirmed that the resident coordinator provided input into their performance appraisals.[27] About 77 per cent of country team members were aware of their reporting obligation to the resident coordinator on resource mobilization and programme implementation performance of any United Nations Development Assistance Framework/"One United Nations" programme elements led by the agency.

123. There is, however, a need to accelerate the full institutionalization of the management and accountability system by all members of UNDG, given that not all United Nations entities have systematically implemented the provisions established by the Group.

124. United Nations agency representatives continue to have varying levels of delegation of authority. Eight entities delegated the authority to commit funding as part of a joint programme, while three delegated the authority to use a joint workplan instead of a separate agency workplan. Some 17 per cent of the resident coordinators surveyed by the Department of Economic and Social Affairs observed

[26] All percentages in this paragraph use as denominator the number of respondents who answered the question. Around one third of respondents did not answer one or more of the applicable questions.

[27] The revamping of the resident coordinator/United Nations country team appraisal is planned to enter into effect in January 2016.

that agency field representatives had adequate delegation of authority. The level of delegation of authority is clearly associated with the size of agency programmes and the existence and nature of their presence (e.g. representation vs. liaison).

125. Access to the expertise of agencies by the resident coordinator can be further strengthened. About 85 per cent of the responding resident coordinators reported having gained access to the technical resources of all or some agencies without difficulties, whereas 15 per cent had encountered difficulties in gaining access to the technical resources of agencies at the country level. Participation in that aspect of the management and accountability system constitutes a valuable way for agencies to contribute in kind to support the resident coordinator system, especially those agencies whose possibilities of contributing in cash are limited.

126. Measures have also been put in place to strengthen the capacity of resident coordinators' offices, such as the UNDG strategy to deploy a certain number of human rights advisers in response to requests from programme countries for human rights support as part of operational activities for development.

127. The selection process of resident coordinators has been improved. Under the auspices of UNDG, UNDP has convened an inter-agency steering committee to review the Resident Coordinator Assessment Centre. A completely new assessment centre was designed with a view to improving its relevance and rigour, in support of the goal of bringing in high-calibre leaders to the pool of candidates. It became operational in May 2014. As at November 2014, there were 127 resident coordinators deployed, including 49 (39 per cent) women, 56 (44 per cent) from developing countries and 56 (44 per cent) from non-UNDP agencies.[28]

128. The centralized funding modality for the resident coordinator system based on system-wide cost-sharing, as noted in the previous report, is being implemented. In its resolution 2014/14, the Economic and Social Council noted with appreciation progress achieved in implementing the cost-sharing agreement and requested entities of the United Nations development system that had not already done so to take appropriate action to implement the agreement, subject to the approval of their governing bodies. The resolution, as part of the report of the Council for 2014, will be submitted to the General Assembly for consideration early in 2015.

129. The cost-sharing agreement is based on a global funding scenario of $121.6 million for 2014, which is equivalent to some 0.8 per cent of United Nations development-related activities. Of that amount, $88 million was provided by UNDP as part of the backbone contribution and $33.6 million was shared by participating agencies, including UNDP. It should be noted that the contributions were not diminished, the UNDP financial constraints (i.e. the drop in core funding) notwithstanding. UNDG has initiated discussions on the funding requirement for subsequent years.

130. Of the 18 member entities of UNDG expected to contribute to the cost-sharing modality, 11 have contributed the full amount foreseen in the cost-sharing formula in 2014 and confirmed their full share, including an adjustment owing to inflation of staff costs, for 2015. Six entities have contributed a reduced amount in 2014 and confirmed the same reduced amount for 2015. The contribution of the Secretariat will be subject to the approval of the General Assembly during its consideration of

[28] As at October 2013, 40 per cent of resident coordinators were women, 44 per cent from the South and 40 per cent from entities other than UNDP.

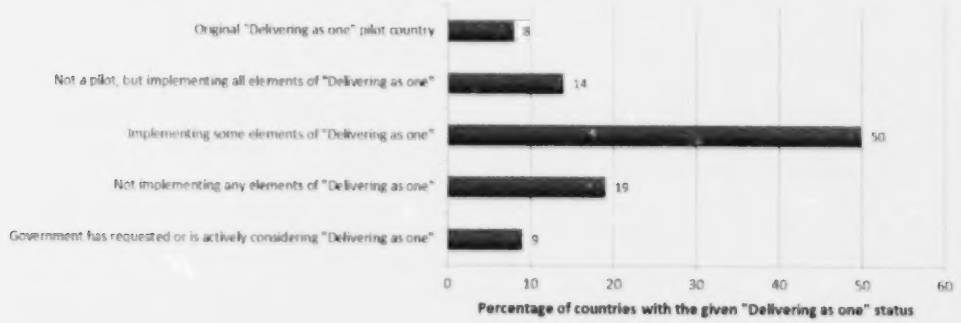
the programme budget for 2016-2017. Given that not all UNDG entities were in a position to begin contributing or contributed reduced amounts to the cost-sharing process in 2014 and for 2015, a funding gap for the resident coordinator system exists at the global, regional and country levels in the transitional phase in 2014 and 2015. UNDG was able to mobilize funding for part of the gap from contributions from Governments and is seeking continued support, especially for 2015, until the cost-sharing modality becomes fully operational in 2016.

131. The resident coordinator system continues to be strengthened with the further implementation of the management and accountability system and the cost-sharing agreement. The diversity of the resident coordinators has increased and the selection process improved. The management and accountability system has still not been implemented by all the entities that endorsed it, however. A funding gap persists, the establishment of cost-sharing arrangements notwithstanding. The mutual accountability between the resident coordinators and United Nations country team members for United Nations Development Assistance Framework results needs further reinforcement.

C. "Delivering as one"

132. Governments in general perceived that the "Delivering as one" approach had a positive effect in terms of increasing the efficiency and coherence of the United Nations development system at the country level. Some 66 per cent of all responding countries confirmed their interest in all or some of the elements of the approach. Some 73 per cent of those programme countries that were interested in the approach stated that its introduction had made it either much easier or somewhat easier for their Governments to deal with the United Nations system in their country. Likewise, the number of United Nations country teams that are adopting elements of the approach is increasing. To date, 43 Governments have requested the United Nations development system to adopt the approach. More than 70 per cent of resident coordinators surveyed reported that all or some of the pillars of the approach had been implemented (see fig. XXII).

Figure XXII
Status of countries with regard to the "Delivering as one" approach



Source: 2014 resident coordinator survey

133. With Governments having an increasingly positive perception of the "Delivering as One" approach, United Nations country teams need to ensure that Governments are fully informed about its potential to provide solutions tailored to the specific challenges and priorities of individual countries. In August 2013, UNDG finalized standard operating procedures for countries adopting the approach. The procedures, with an integrated package of support for implementation by country teams, were released in August 2014. The procedures, which are designed to be adapted to country contexts, constitute a living document that will be updated and complemented on the basis of experience acquired in implementation. UNDG members have begun to integrate the procedures into their internal agency guidance, while training on them for country team members is under way (see fig. XXIII).

Figure XXIII
Time-bound actions relating to the "Delivering as one" approach

	2013		2014	
United Nations system to formulate standard operating procedures and report to the Economic and Social Council (para. 140)	Standard operating procedures finalized by UNDG for countries wishing to adopt a "Delivering as one" approach	Target: Report in 2013	Standard operating procedures with an integrated package to support their implementation by United Nations country teams were released	Achieved
Secretary-General to propose options for the approval of common country programme documents to the Economic and Social Council and the General Assembly (para. 143)	Proposals developed focusing on harmonization of formats and simplification of approval process	Target: Make recommendations to the Economic and Social Council and the General Assembly in 2013	Country-level experiences regarding common country programme documents were shared at the joint UNDP-UNFPA-UNICEF-WFP informal consultation with executive boards. The relevance of the documents is diminished in the light of the standard operating procedures	No follow-up planned

134. Progress has been made in tackling headquarters-level bottlenecks that have prevented United Nations country teams from fully realizing the efficiency gains under the "Delivering as one" approach. A total of 12 agencies reported that they had initiated an exercise to resolve challenges and bottlenecks, including working with their governing bodies. Of the 55 measures set out in the UNDG Plan of Action for Headquarters, 24 have been completed. The tools and materials for the "One United Nations" programme have been completed, as have all actions for the "One United Nations" funds. The Plan of Action remains an ongoing task requiring attention and UNDG aims to complete the remaining 31 measures as swiftly as possible.

135. The concept of "operating as one" continues to advance slowly. While considerable headway has been made in the areas of procurement and information and communications technology, most activities in the areas of human resources, finance, common premises and auditing are works in progress. In 2015, UNDG and

the High-level Committee on Management will be working together to identify what specific services at the country level could lead to efficiency gains if carried out together and identify what rules, regulations and policies need harmonization (where necessary and feasible).

136. UNDG has finalized a monitoring and evaluation framework for the "Delivering as one" approach. It applies to all countries that have adopted the approach and is aimed at overseeing the operational effectiveness of the approach in line with the six principles that guided the development of the standard operating procedures.

137. In response to General Assembly resolution 67/226 and Economic and Social Council resolutions on common country programme documents, a joint UNDP-UNFPA-UNICEF-WFP informal consultation was organized in 2014 during the second regular session of the Executive Board of UNDP, UNFPA and UNOPS. Country-level experiences regarding such documents were shared as part of a forward-looking discussion on the second generation of the "Delivering as one" approach. The analysis was drawn from surveys of eight countries with such documents, which yielded five joint responses. The responses suggested mixed value in terms of programme coherence, indicating that the countries surveyed did not consider that the documents had contributed to the coherence, efficiency and effectiveness of the United Nations country team at the implementation, reporting and evaluation stages. General feedback from Governments indicated that experiences with the documents had not been very encouraging and raises the issue of their continued relevance. Going forward, the agencies envisage the standard operating procedures, rather than the documents, as the main driver of United Nations coherence, efficiency and effectiveness at the country level.

138. Interest in applying the "Delivering as one" approach is clearly increasing. The necessary policies and instruments are being put in place. It is essential to ensure that the existing guidance, including the standard operating procedures, is implemented at the country level in a way that best suits national needs, realities, priorities and planning modalities by United Nations entities and United Nations country teams. The success of the approach also requires the support of Member States. The financial support of donors and other stakeholders for "One United Nations" funds must be maintained.

D. Regional dimensions

139. The two principal mechanisms for United Nations system-wide coordination at the regional level are the regional UNDG teams and the regional coordination mechanisms.

140. The key role of the regional UNDG teams is to provide leadership and technical and policy support in the areas of strategic planning and performance and knowledge management to resident coordinators and United Nations country teams for the achievement of country-level results. The teams further focus on enhancing system-wide coherence at the regional level and provide analytical work and studies, depending on demand and needs.

141. The objective of the regional coordination mechanisms is to improve coordination among the work programmes of United Nations entities at the regional

level and increase cooperation and collaboration among United Nations regional entities and their development partners in tackling regional development issues.

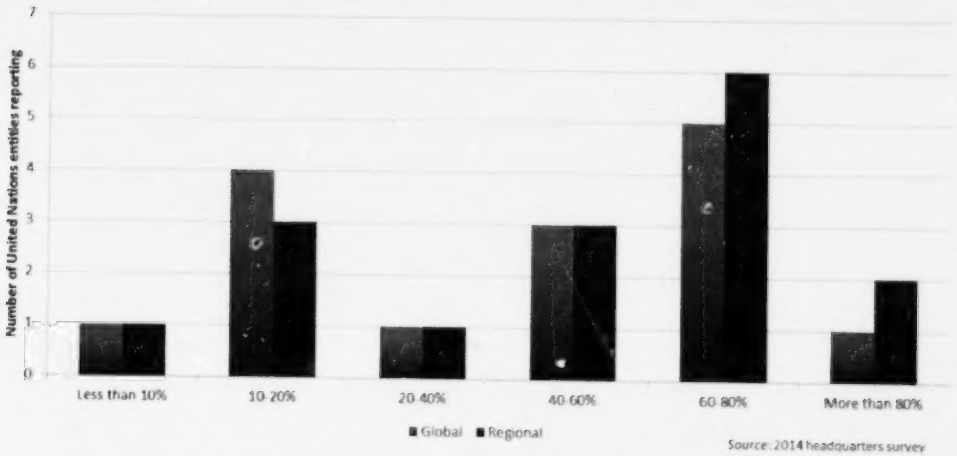
142. The two mechanisms have been developing closer linkages over the past two years. In general, collaboration has taken the form of joint regional conferences and common regional position papers to promote key development issues. In addition, they have worked closely in facilitating regional high-level and national consultations on the post-2015 development agenda and its means of implementation.

143. From the perspective of United Nations country team members, the support of the regional teams and the regional coordination mechanisms needs to be further improved. According to the UNDG coordination support survey, 59 per cent of country team members were satisfied with the role of the regional teams in supporting them in the implementation of the standard operating procedures. The regional Peer Support Group[29] was also considered favourably, with 63 per cent of country team members recognizing its added value for the formulation of United Nations Development Assistance Frameworks. In addition, 50 per cent of country team members felt that the regional teams provided effective support on the highest-priority regional or subregional issues of relevance, while 53 per cent felt that the regional coordination mechanisms provided effective support. The perceptions vary significantly by region, however.

144. Concerning global and regional joint activities, overall there appears to be considerable variation by agency in the degree to which agencies have joint activities at the global and regional levels (see fig. XXIV). Entities reporting that more than 60 per cent of both their global and regional activities were carried out jointly with at least one other United Nations organization were the Economic Commission for Africa, UNAIDS, UNEP, UNFPA, UNOPS and UN-Women, with UNAIDS, as a joint United Nations programme, reporting more than 80 per cent at both the global and regional levels. Among specialized agencies, all reported under 20 per cent at both levels, except WHO (20-40 per cent for joint activities at the regional level).

[29] The Peer Support Group provides quality assurance, in particular for United Nations Development Assistance Frameworks, supports performance management and assists with troubleshooting in country-specific contexts and other areas of operational support services.

Figure XXIV
Proportion of global and regional activities of United Nations entities carried out jointly with at least one other United Nations entity



Source: 2014 headquarters survey

145. Monitoring and accountability at the regional level are highly relevant to a multilayer monitoring and accountability framework for the post-2015 development agenda, with the national level as the backbone. Regional mechanisms have the potential to offer peer review of progress on the agenda, which can be used at the national and global levels. Regional mechanisms for monitoring and accountability must have legitimacy with Governments in order to ensure that they are used and serve their intended purpose. The United Nations system at the regional level, given its legitimacy, substantive capacity and the connection with global and national processes, has a unique role to play in that regard. In particular, the regional commissions support the development of regional monitoring frameworks and provide a platform for collective multi-stakeholder reviews of regional progress on the post-2015 development agenda. The United Nations system at the regional level can also help to identify incentives for countries to participate in those reviews and promote the use of the results of peer reviews. It can assist countries in translating global goals into national policies and provide guidelines to assist with implementation at the national level, bearing in mind the regional context.

E. Simplification and harmonization of business practices

Renewed opportunity for integrated business solutions

146. The roll-out of the standard operating procedures is a major step towards helping United Nations country teams to implement more integrated business solutions and put in place common services in all areas of business operations. Monitoring their implementation will be essential to consolidating harmonized business practices at the country level. Given that the considerable progress made through the procedures must be followed by a measurable impact in terms of efficiency gains and savings at the country level, an assessment of implementation involving both UNDG and the High-level Committee on Management will be conducted early in 2015.

147. The development and implementation of the country-level business operations strategy as part of the standard operating procedures may provide a framework to implement the harmonized business operations policy of the High-level Committee on Management. In addition, the strategy provides a framework to enhance the ability to measure the impact and progress of the common operations agenda at the country level.

148. The business operations strategy pilot initiative began in late 2012, with 14 countries pioneering and testing the strategy. To date, nine countries have a strategy in place, three are designing a strategy and the remaining two have withdrawn owing to country-specific reasons. Other countries are choosing to engage in harmonized business practices on a case-by-case basis. Procurement, information and communications technology and human resources are the three most popular operational areas in the context of the strategy. The strategy pilot programme is scheduled for evaluation in 2015 with the aim of improving the framework on the basis of lessons learned.

Headquarters-level initiatives providing testing ground

149. UNDG and the High-level Committee on Management are in the implementation phase of a pilot for a common United Nations service centre at the country level. At the time of finalizing the present report, the joint operations facility in Brazil was scheduled to begin operations in January 2015. Eight United Nations entities — UNAIDS, UNDP, the Department of Safety and Security, UNEP, UNESCO, UNFPA, UNOPS and UN-Women — are participating in the pilot phase. Whether FAO, WHO, UNICEF and WFP participate depends on the results of a comprehensive cost-benefit analysis. The facility will service the areas of procurement, human resources management, information and communications technology and travel. The piloting of the business operations strategy and the joint operations facility will be subject to further analysis to determine whether it is financially and operationally feasible to introduce those initiatives in other countries.

150. In response to the call in resolution 67/226 for a number of interlinked deliverables relating to the simplification and harmonization of business practices, UNDP, UNFPA, UNICEF, UNOPS, WFP and UN-Women are developing a joint action plan for discussion with their governing bodies in 2015.

System-wide guidance development under way

151. As part of the development of common guidance on collaborative procurement, the High-level Committee on Management reviewed the regulatory frameworks of United Nations entities, leading to the identification of common elements that should be included in the procurement guidance of United Nations entities to ensure that there are no obstacles to collaboration. Accordingly, guidance is being harmonized through adjustments to agency-specific manuals and inter-agency guidance. At the country level, such harmonization allows for the implementation of common procurement between United Nations entities, enabling significant efficiency gains and cost savings.

152. In the area of human resources management, a pilot project to harmonize the recruitment of locally recruited staff has been carried out in Uruguay and Viet Nam. The focus of the work has been to enable the use of common vacancy

announcements, common assessment processes and common rosters. It is planned to gradually extend the work to additional countries on the basis of lessons learned, thereby allowing for more systematic identification of regulatory obstacles to collaboration.

153. In the area of finance, a proposal on the common definition of operating costs has been adopted. The work was based on a previous exercise carried out by UNDP, UNICEF, UNFPA and UN-Women to harmonize and improve the presentation of their support budgets with a view to presenting a single and integrated budget for each organization. The exercise included a review of harmonized cost classifications and results-based budgeting practices. Following the work, other United Nations entities will use the framework as a reference for their cost definitions.

154. Considerable progress has been made in ensuring greater inter-agency collaboration and common approaches in the area of treasury services. With regard to banking services, common umbrella agreements are being negotiated for key global banking partners, while local negotiations are continuing in selected countries to reduce fees and improve services. Furthermore, United Nations entities have begun using common electronic trading platforms for exchange transactions and initiated joint work in the area of payments through common access to enterprise resource planning systems. Such collaboration has been possible within the existing agency-specific regulatory frameworks. UNFPA, UNICEF and UNDP have jointly appointed investment fund managers for after-service health insurance funds in order to improve the current rate of return based on actuarial assumptions.

155. UNDG created a task force to identify policy gaps in the area of risk management in the context of pooled funding in special development situations. It focused on three deliverables: an overview of current United Nations risk management practices in integrated programme and funding environments, with a special focus on conflict and transition settings; a gap analysis assessing policy gaps in the current risk management practice, based on an analysis of risk management deficiencies drawing on recent experiences; and recommendations for additional policy and operational guidance to reinforce risk management practices in integrated programme and funding environments, especially in conflict and transition settings. The task force is expected to complete its work early in 2015.

156. UNFPA, UNICEF and UNDP are actively implementing the revised harmonized approach to cash transfers framework throughout their country-level operations. The 2005 version of the framework defined four criteria for compliance. The current framework makes accountability and monitoring of implementation the responsibility of each agency. Consequently, accountability and monitoring may differ by agency in the same country.

157. In September 2014, the High-level Committee on Management launched a study to determine the feasibility of establishing the full and system-wide interoperability of agency-specific enterprise resource planning systems. The study is expected to be completed early in 2015 and will review existing common services practices with lead agency models and shared services, including joint functions that have already been established.

158. The UNDG Task Team on Common Premises is tasked with harmonizing policy on United Nations office premises occupied by multiple United Nations organizations. In September 2014, it completed a strategy paper for United Nations

common premises, covering the scaling up, streamlining and rationalizing of the planning and execution of the infrastructure required to fulfil the mandates of United Nations agencies, funds and programmes. The paper contains a strategic framework that will assist United Nations country teams to identify cost-effective solutions for co-location, enhance planning and eliminate inefficiencies and redundant spending.

159. While regulatory frameworks have been reviewed in selected areas of business operations, there has been no systematic approach to presenting plans for support services that are based on unified regulations and rules. In that regard, there is a need to determine the feasibility of harmonizing regulations and rules systematically and to discuss how best to implement common support services. United Nations entities should present plans as requested by Member States to allow for the development of a comprehensive strategy that will ensure that the change process is manageable, structured and inclusive.

160. Figure XXV provides a summary of progress achieved with regard to the time-bound mandates contained in resolution 67/226 relating to the simplification and harmonization of business practices.

Figure XXV

Time-bound actions relating to the simplification and harmonization of business practices

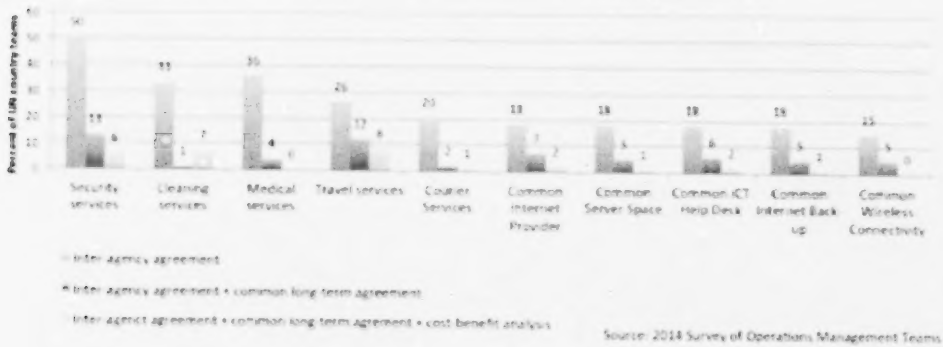
Funds and programmes to submit joint plans for consolidation of support services at the country level to executive boards (para. 152)	*Target:* *Plans submitted to the executive boards at first regular session of 2014*	Business operations strategy developed	Piloting of common United Nations service centre in Brazil started	Roll-out of standard operating procedures	*Target:* *Report on achievements to governing bodies annually from the end of 2014, present joint action plan to governing bodies in 2015*	*In progress*
United Nations development system to present plans to governing bodies for further intra-agency rationalization (para. 153)	Funds and programmes decided to address this action on an agency basis	UNICEF, UNDP, UNFPA and WFP reported initial progress during executive board sessions in 2013	*Target:* *Plans presented by the end of 2013*	UNICEF, UNDP, UNFPA and WFP reported to their executive boards at the first session in 2014		*Achieved*
United Nations development system to conclude framework agreements regulating mutual validity of agreements (para. 154)		Standard inter-agency memorandum of understanding established	*Target:* *Agreements concluded by the end of 2013*	United Nations entities agreed to accept one another's procurement processes. Agency-specific guidance is being updated accordingly		*Achieved*
High-level Committee on Management and UNDG to present plans for support services based on unified regulations and rules (para. 155)		High-level Committee on Management networks began studying the feasibility of harmonization of regulations and rules and policies and procedures in different functional areas		*Target:* *Plans presented in 2014 and implementation in 2016*		*Pending*

Secretary-General to present to executive boards a proposal on the common definition of operating costs and standardized system of cost control (para. 159)		Working group established through the High-level Committee on Management	Proposal on a common definition of operating costs completed	*Target:* *System developed in 2014*	*In progress*
Secretary-General to study the feasibility of interoperability of enterprise resource planning systems (para. 160)	Study initiated under leadership of the Secretary-General of the International Telecommunication Union	*Target:* *Feasibility study completed in 2014*	Study launched in September 2014. Results expected in the first quarter of 2015	*Target:* *Interoperability in 2016 in line with the results of feasibility study*	*In progress*
United Nations development system to develop a strategy supporting the establishment of common premises (para. 161)		*Target:* *Present to the Economic and Social Council by the end of 2013*		Development of strategy initiated	*In progress*

Common services at the country level to be improved

161. While efforts at the headquarters level have accelerated and shown results in removing bottlenecks that have prevented the harmonization of business practices, progress at the country level can be further improved. The implementation of common services should be based upon sound cost-benefit analysis or existing long-term agreements with service providers. According to the recent survey of operations management teams, United Nations country teams still do not systematically implement common services or base such implementation on sound business analysis and management practice (see fig. XXVI).

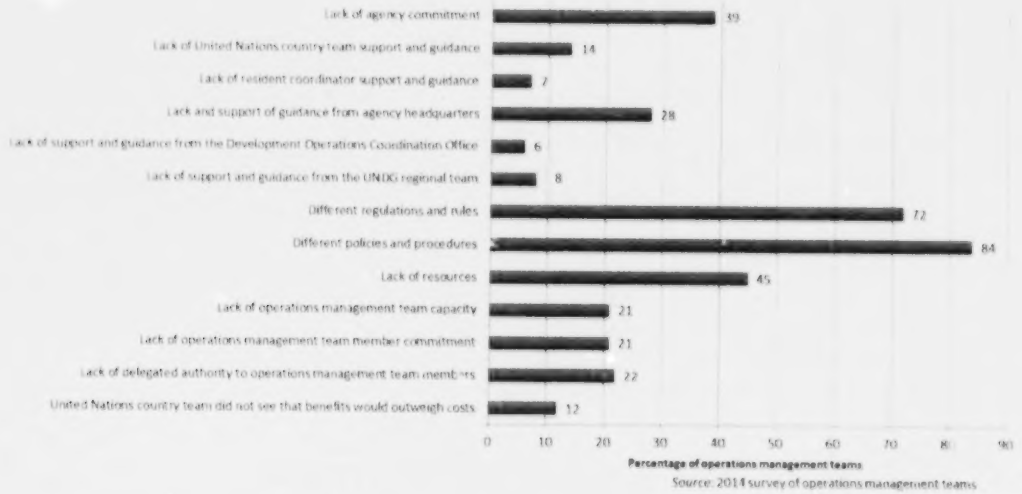
Figure XXVI
Top 10 common services based on existing inter-agency agreements



Source: 2014 Survey of Operations Management Teams

162. There is a widespread perception that the existence of varying rules and regulations and policies and procedures is the main factor preventing United Nations country teams from further harmonizing business practices (see fig. XXVII). This will be partly addressed by implementing the measures of the Plan of Action for Headquarters and partly through the "operating as one" component of the standard operating procedures. It should also be noted, however, that the "Delivering as one" countries and several other countries have shown that, for example, the successful implementation of common services, the establishment of common premises or the creation of common information and communications technology infrastructure does not necessarily depend on the unification of policies and procedures or rules and regulations. There is therefore a further need to increase the capacity of operations management teams beyond the roll-out of the standard operating procedures to develop and implement smart and tailored business solutions at the country level.

Figure XXVII
Reasons preventing United Nations country teams from further harmonizing business practices at the country level



Source: 2014 survey of operations management teams.

163. The harmonization of business practices is not an end in itself. It must lead to considerable gains that outweigh the transaction costs of continuing inter-agency coordination at a very high level of detail. This particularly applies to the call for the system-wide unification of regulations and rules and policies and procedures in all areas of business operations, where the costs of designing and implementing them must be carefully weighed against the long-term benefits. Member States have, however, presented a clear direction, which requires systematic follow-up by the United Nations development system. This includes the establishment of common service centres at the country level. While the implementation of a joint operations facility in Brazil is a step in the right direction, a pilot in only one location does not suffice to implement harmonized business solutions effectively in all programme countries. In addition, further global-level analysis of continuing efforts in agency-

specific global shared service centres, together with optimal means of harmonization, should be carried out.

164. Many common services at the country level do not necessarily require the harmonization of agency-specific regulations and rules or policies and procedures and can be successfully managed by a lead agency or service centre. Progress has been made at the headquarters level in reducing some of the barriers to creating common business solutions at the country level. It will be essential to ensure that United Nations country teams are made responsible for designing and implementing business operations strategies that are tailored to their country-specific requirements, harmonized and cost efficient.

F. Results-based management

165. All Member States attach great importance to results-based management. Most Governments stated that it was very important for the United Nations to make better use of results-based approaches. The surveys suggested that Governments and resident coordinators concurred that government monitoring and evaluation capacity was underutilized by the United Nations system.

166. There has been modest progress in simplifying, streamlining and harmonizing results-based management systems. For example, 15 entities reported participation in a UNDG initiative to develop and use common results-based management tools and principles. Only eight, however, had discussed the issue at the governing body level.

167. Agreement on a common results framework allowing the United Nations to jointly report progress against commitments can also be seen as strengthening the joint accountability of the Organization, as highlighted in the resolution 67/226. On the other hand, there is little evidence that the Organization has considered the implications of seeking to implement a results-based management approach in a context where such approaches are not used by Governments in many programme countries.

168. In 2011, UNDG defined results-based management as "a management strategy by which all actors, contributing directly or indirectly to achieving a set of results, ensure that their processes, products and services contribute to the achievement of desired results (outputs, outcomes and higher level goals or impact). The actors in turn use information and evidence on actual results to inform decision making on the design, resourcing and delivery of programmes and activities as well as for accountability and reporting."[30] As such, it originated for use within Governments. It is important to note that it assumes that all actors, and not just the United Nations, are using results-based management approaches in their planning systems. Documentation outlining how individual Governments operate shows that results-based management approaches and the principles underpinning them vary significantly by Government, however.

169. Assessing progress in strengthening results-based management at the United Nations country team level requires an assessment of wider reform efforts dealing with how the country team operates as a team and develops a common single

[30] See the UNDG Results-based Management Handbook (October 2011).

programme. UNDG agencies have committed themselves to reporting on their performance to programme countries at least once during each United Nations Development Assistance Framework cycle, and annually in "Delivering as one" countries, through a Framework-level joint report on results. Preparing a collective report can present challenges, given that the structure of the various agency results frameworks, which define outputs, varies throughout the United Nations system. As such, it is not always possible to develop common indicators if results attributable to United Nations support are defined at different levels (definitions include "activities", "products/services" and "low-level outcomes"). Agencies indicated that efforts needed to be made to optimize and simplify reporting obligations and to harmonize indicators where possible. In that regard, it was recognized that there was a lack of agreed common approaches and definitions to measuring results and common indicators.

170. Ensuring that the results of the United Nations development system contribute to national results and do not remain United Nations results requires substantive and substantial dialogue with national partners on how results are defined, measured and reported on. It is therefore important that the United Nations development system not develop its result-based management system in isolation of national systems. It is equally important that the United Nations system more proactively provide support to national Governments and partner institutions in introducing and adapting results-based management as part of their national monitoring frameworks and statistical systems.

171. The post-2015 development agenda will most likely affect system-wide results-based management by shifting the context within which such management is implemented. Those changes will have to be taken into account in due course. Demand for evidence from individual governing bodies is likely to increase in the next few years and also shift to increasing demand for evidence of development results. Setting realistic and cost-effective expectations of the United Nations approach to system-wide results-based management needs to begin with a better understanding of the needs of the programme country Governments and the scope for implementing results-based management.

G. Evaluation of operational activities for development

172. In accordance with General Assembly resolution 67/226, the interim coordination mechanism set up to pilot the independent system-wide evaluation of operational activities for development of the United Nations system has developed a policy, which was endorsed by the Assembly in its resolution 68/229.

173. A dedicated secretariat has been established, hosted by the Joint Inspection Unit. It is working on two proposals for pilot independent system-wide evaluations selected by Member States: an evaluation of the contribution of the United Nations system to strengthening national statistics capacity and a meta-evaluation and synthesis of United Nations Development Assistance Framework evaluations for 2009-2013.

174. The interim coordination mechanism is undertaking two main activities to launch the two pilot evaluations: consultations with stakeholders to enhance the relevance and value of the two evaluations and their linkage to the post-2015 development agenda and other developments in United Nations reform for relevance

and coherence; and mobilization of resources for the planning and conduct of the two pilots from donor countries and other countries in a position to make contributions, including from non-governmental sources.

175. The interim coordination mechanism is intended to work within the principles of the independent system-wide evaluation policy, thereby championing and facilitating the implementation of the two pilot evaluations in a phased manner so that they will feed into analytical work in preparation for the quadrennial comprehensive policy review in 2016.

176. The United Nations Evaluation Group continues to play a central role in strengthening the evaluation function, including through the production of evaluation guidance documents, peer review of individual agency evaluation functions, evaluation of professionalization efforts and knowledge and information exchange. In addition, as set out in its new strategic framework, adopted in 2013, it is intended to enhance the use of evaluation in policymaking, strengthening advocacy and outreach activities and establishing new partnerships with the wider international evaluation community.

177. Efforts to initiate and support the implementation of United Nations Development Assistance Framework evaluations need to be strengthened, including in terms of assessing how agreed programming principles have been addressed at the country level. In the past five years, about half of all programme countries with a Framework or equivalent instrument have carried out an evaluation, although the evaluation has been a mandatory UNDG requirement since 2009. The prevalence of evaluations did not change significantly between 2013 and 2014.

178. The quality of United Nations Development Assistance Framework evaluations is mixed, partly owing to the low level of investment therein. The poor use of the findings is also a concern. While the meta-evaluation and synthesis of evaluations will examine the issues specifically, there is a need to enhance the quality and use of evaluations through increased investment and use of guidance developed by the United Nations Evaluation Group, in collaboration with UNDG.

H. Follow-up and monitoring

179. Considerable progress has been made in reporting against the quadrennial comprehensive policy review monitoring and reporting framework, with the establishment of baselines for most indicators (see fig. XXVIII).[31]

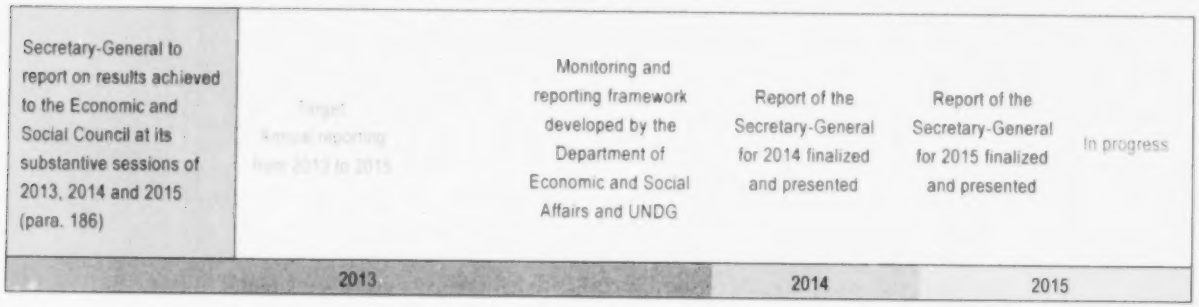
180. Funds and programmes have integrated reporting on the implementation of the quadrennial comprehensive policy review into annual reporting on their strategic plans, which contains reporting against common indicators guided by the monitoring and reporting framework. The change in timing of the operational activities segment of the Economic and Social Council has also made it possible to conduct more comprehensive and in-depth reviews of annual reporting by funds and programmes.

[31] With the indicator framework being finalized in late 2013 and the timing of the operational activities segment of the Economic and Social Council being changed to February each year, there was no opportunity to gather baseline data for most indicators in the previous report.

181. A task team led by the Department of Economic and Social Affairs was established in the first half of 2014 to map each indicator in the monitoring and reporting framework to the best and most cost-effective data collection method, using existing data collection instruments wherever possible. It also reviewed the timelines of the collection methods to ensure that information would be available in a timely manner for reflection in the present report.[32]

182. After the work of the task team was complete, the Department of Economic and Social Affairs surveys were fully redesigned in a participatory manner to be fully aligned with the wording of the indicators in the review monitoring and reporting framework. The new format of the resident coordinator annual report is currently being finalized by UNDG, with reporting in that format scheduled to begin in 2015. For 2014, reporting is covered through the resident coordinator survey, which was specifically amended to provide the correlating data, and through section 2 of the UNDG coordination support survey. Further information on the surveys can be found in the methodological note within the background material for the present report.

Figure XXVIII
Time-bound action relating to follow-up and monitoring


Secretary-General to report on results achieved to the Economic and Social Council at its substantive sessions of 2013, 2014 and 2015 (para. 186)
Target
Annual reporting from 2013 to 2015
Monitoring and reporting framework developed by the Department of Economic and Social Affairs and UNDG
Report of the Secretary-General for 2014 finalized and presented
Report of the Secretary-General for 2015 finalized and presented
In progress
2013
2014
2015

183. As part of the follow-up on and monitoring of the quadrennial comprehensive policy review, the Economic and Social Council decided in its resolution 2014/14 to convene an inclusive dialogue involving Member States and all relevant stakeholders on the longer-term positioning of the United Nations development system, taking into account the post-2015 development agenda, including the interlinkages between the alignment of functions, funding practices, governance structures, capacity and impact of the United Nations development system, partnership approaches and organizational arrangements. It decided that the Bureau of the Council would provide updates on progress in that regard during the operational activities segment in 2015 and 2016 and requested the Secretary-General to reflect the discussions in his report on the review to the General Assembly for consideration and action by Member States during the 2016 review.

184. Given the scope and complexity of the issues and their connection with the continuing intergovernmental and inter-agency processes, a two-phased approach was adopted to fulfil the mandate. The first phase (October 2014-February 2015) will focus on the interlinkages between the areas identified in the resolutions and the identification of key issues. The second phase (March 2015-February 2016) will focus on the long-term position of the United Nations development system in the

[32] A note on the outcome of the work of the task team is included as part of the background material for the present report (see www.un.org/en/ecosoc/newfunct/qcpr_implement.shtml).

light of the post-2105 development agenda. The phased approach will also benefit from the work on the agenda at the intergovernmental and inter-agency levels. The first session of the dialogue was held on 15 December 2014. The second session will be held on 30 January 2015.

V. Effectiveness of the United Nations development system

185. The United Nations system emerged as the preferred partner for most countries in almost all the areas listed (see table 5). In particular, it was seen by programme country Governments as a particularly relevant partner in the areas of peace, security and humanitarian assistance, institutional capacity development and facilitating the participation of civil society and non-governmental organizations in national development processes. The Bretton Woods institutions were also chosen by many countries as a preferred provider for mobilizing external resources for development.

186. While the role of the United Nations development system varies by country, the activities of the Organization are in general closely aligned with the country's development needs and priorities. Of the 74 programme country Governments surveyed, 93 per cent stated that United Nations activities were either very closely aligned or closely aligned with country needs and priorities. The level of alignment was more favourably rated by Governments of "Delivering as one" and self-starter countries, a pattern also seen in 2012, which may suggest that the "Delivering as one" approach promotes better alignment.

187. Working towards the attainment of the Millennium Development Goals is judged to be a focus of United Nations work in most countries. Nearly 75 per cent of low-income countries and lower-middle-income countries that responded to the survey strongly agreed that United Nations efforts were focused on assisting countries in achieving internationally agreed development goals, including the Millennium Development Goals, whereas about half of upper-middle-income countries and high-income countries held the same view. The difference in perception could be indicative of the differentiated needs of those countries and the differentiated support provided by the United Nations system as a result.

188. The United Nations development system is particularly valued for its advocacy for international norms and standards, its credibility, its ability to provide access to specialized knowledge in a wide range of subject areas and its impartiality. The Organization needs, however, to strengthen its flexibility in responding to the changing needs of programme countries. Some 17 per cent of Governments surveyed stated that the United Nations responded to changing government priorities and strategies swiftly.

189. The contribution of the United Nations development system was seen by Governments as being most significant in the areas of gender and equality, health, environment and natural resources and governance and public administration by more than 60 per cent of programme countries (see table 6). Other widely appreciated areas included sustainable development policies, poverty reduction, food security and nutrition, human rights and equity, education and disaster risk reduction. A similar pattern also emerged in 2012. It should be noted that the generally lower percentages in 2014 do not necessarily signify a change in the extent of satisfaction with the performance of the United Nations in any of the areas. Rather, they reflect the fact that the survey offered more areas to choose from in 2014.

Table 5

Number of countries selecting each partner as one of the two preferred providers of external support

Partner	*Peace, security and humanitarian assistance*	*Global challenges requiring collective action*[a]	*Supporting South-South and triangular cooperation*	*Supporting regional or subregional cooperation*	*Mobilizing external resources for development*	*Policy advice on national strategies and plans*	*Sectoral programming advice and technical assistance*	*Institutional capacity development*	*Facilitating the participation of civil society and non-governmental organizations in national development processes*	*Providing equipment and services*
United Nations system (funds, programmes and specialized agencies)	50	30	42	34	30	44	40	55	41	34
Bretton Woods institutions (World Bank, International Monetary Fund, etc.)	6	24	9	14	33	36	29	19	8	23
Other multilateral and regional institutions not part of the United Nations	23	17	15	32	24	16	25	22	15	19
OECD/DAC partners (traditional bilateral donors)	15	17	16	16	24	19	26	24	16	20
Southern partners	7	3	20	14	7	3	7	9	6	8
Thematic or alliance-based partners (e.g. Global Fund to Fight AIDS, Tuberculosis and Malaria)	8	10	7	6	15	4	11	11	9	13

[a] Global challenges requiring collective action include climate change, biodiversity and transborder issues, such as water and migration.

Table 6
Views of Governments about the areas where the contribution of the United Nations is most significant

Thematic areas	*Response (percentage)* 2014
Gender equality	67
Health	64
Environment and natural resources (including climate change, water and environmental sanitation)	61
Governance and public administration	60
Sustainable development policies (policies that integrate economic, social and environmental dimensions)	49
Poverty reduction	46
Food security and nutrition	46
Human rights and equity	46
Education	44
Disaster risk reduction	41
Social protection	39
Agriculture and rural development	39
Humanitarian assistance	36
Economic growth and employment	27
Peacebuilding and early recovery	27
Decentralization	24
Knowledge and technology transfer	19
Industry, trade and investment	16

190. At the same time, the expectations of programme countries suggest that there is a need for the United Nations system to strengthen its role in some areas in which it is not currently seen as a significant player, such as economic growth and employment (see table 7).

Table 7
Expectations of Governments about the support to be provided by the United Nations system to their country in the coming four years[a]

Thematic area	*Response (percentage)* 2014
Economic growth and employment	52
Environment and natural resources (including climate change, water and environmental sanitation)	51
Sustainable development policies (policies that integrate economic, social and environmental dimensions)	48

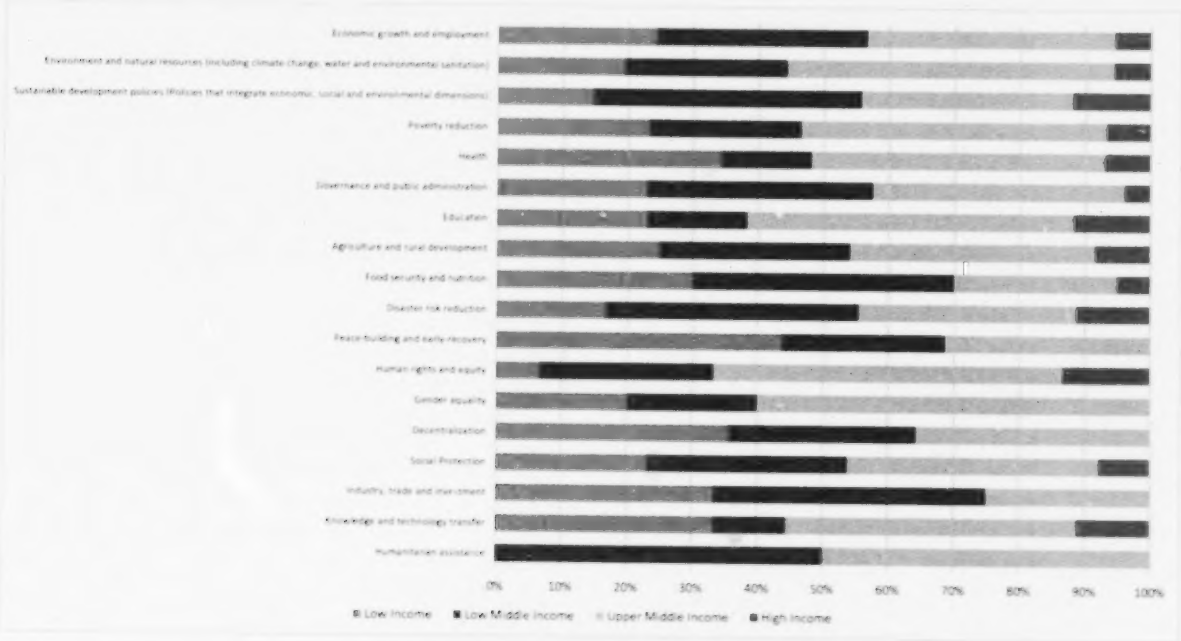
Thematic area	*Response (percentage)*
	2014
Poverty reduction	42
Health	41
Governance and public administration	37
Education	37
Agriculture and rural development	34
Food security and nutrition	28
Disaster risk reduction	25
Peacebuilding and early recovery	23
Gender equality	21
Human rights and equity	21
Decentralization	20
Social protection	18
Industry, trade and investment	17
Knowledge and technology transfer	13
Humanitarian assistance	8

[a] Respondents were asked to select the five most important areas for United Nations assistance to their country in the next four years from the list. The 2014 survey added two new areas (sustainable development policies and social protection) to the list of the 2012 survey.

191. Within the overall figures, responses differed by the income level of the country. It may be seen that food security and nutrition, peacebuilding and early recovery, decentralization and industry, trade and investment were relatively popular with low-income and lower-middle-income countries, given that those countries accounted for more than 60 per cent of the respondents that chose those themes, while the upper-middle-income and high-income countries accounted for more than 60 per cent of respondents that chose gender equality, human rights and equity, and education (see fig. XXIX).

192. Figure XXIX shows the relative importance of themes. A longer blue line, such as for peacebuilding and early recovery, indicates that the theme was more popular among low-income countries than other countries, but does not indicate that it was the most popular item for low-income countries.

Figure XXIX
Relative importance of areas for assistance, by country income level, 2014



193. At this juncture of the transition from the Millennium Development Goals to sustainable development goals, programme country Governments have expressed renewed expectations of the United Nations development system, namely that its support would accord the highest priority to economic growth and employment, environment and natural resources and sustainable development policies, followed by poverty reduction and health. Delivering on those roles effectively requires a coherent and efficient operational system. Feedback from programme countries also suggests that the continued relevance of the system hinges on its ability to provide coherent and integrated support tailored to changing country needs and priorities.

VI. Conclusion

194. The new single comprehensive monitoring and reporting framework is proving to be an effective tool for monitoring progress in the implementation of resolution 67/226. The comprehensive coverage of the framework is also a reflection of the strong engagement of CEB-UNDG, the High-level Committee on Management and the High-level Committee on Programmes — with the support of the Development Operations Coordination Office, and of the entities of the United Nations development system.

195. In general, the findings presented herein reveal that the funding-related trends that have been evident over the past decade continued in 2013. The funding base broadened further in 2013, with 27 per cent of total funding, or $7.2 billion, coming

from non-State donors, with another $1.5 billion in funding received from non-OECD/DAC donors.

196. Non-core funding increased by $2.5 billion in 2013 compared with 2012. At the same time, core resources remained at about the same level, resulting in the core share falling to 25.5 per cent of total funding for United Nations operational activities for development in 2013.

197. While long-standing appeals to correct the core/non-core imbalance have to date had no positive impact on results, discussions on improving the quality of resources have accelerated since the adoption of resolution 67/226 through the structured dialogues on how to finance the development results agreed in the new strategic planning cycle. Within those dialogues, steady progress has been made in the past year on the definition of common principles for the concept of critical mass of core resources.[33]

198. The dialogues also offer another potentially positive benefit: to look more closely at how non-core resources can best be incorporated into strategic planning processes. Non-core resources represent an essential component of the United Nations development system and attract highly significant levels of funding support. Such support indicates that donors and programme countries both value the programmes on offer in the United Nations system and that they are delivered with generally acceptable levels of effectiveness and efficiency. This very important strength should not be ignored.

199. The launching of the dialogues could provide the platform and opportunity to consider, for individual entities and the United Nations development system as a whole, adjusted funding architectures that are a better fit for the post-2015 era and that are based on the full integration of various funding streams for the financing of agreed development results. The continued consideration and adjustment of cost-recovery arrangements, as envisaged in resolution 67/226, should logically form an integral part of the consideration of such fully integrated funding approaches.

200. Notable progress has been made in implementing several provisions of resolution 67/226. Of 22 entities accounting for 97 per cent of both total and development-related operational activities of the United Nations development system, 15 have aligned their planning and budgeting cycle with the review. Most United Nations entities have made a strong effort to align their strategic frameworks with the review. The progress is particularly noticeable at the front end of the programme cycle, in terms of the strategic orientations and broad programme policy parameters, and at the country level, in terms of the increased use of more common strategy and programming tools.

201. Less progress has been achieved in the use of common budgetary frameworks, with only 25 per cent of countries reporting their use. Resident coordinators report continuing challenges with regard to the timeliness and quality of information being provided by some entities. Closer to the operational level, progress has also been more limited, with the differing requirements of entity governing bodies and management teams continuing to pose challenges.

[33] See, for example, decisions 2014/24 of the Executive Board of UNDP, 2014/25 of the Executive Board of UNFPA and 2014/17 of the Executive Board of UNICEF.

202. Feedback from Governments and resident coordinators indicates that, while the United Nations system largely uses national experts and institutions in the design and implementation of its work, national monitoring and reporting systems and national procurement, financial and evaluation capacity have been relatively underused. Feedback from both programme country Governments and the United Nations system in that regard points to many challenges relating to institutional capacity.

203. Progress towards the harmonization of business practices at the country level remains slow. Coherence can go only as far as the extent to which the operational systems are harmonized sufficiently to reduce the duplication of functions and administrative and transaction costs.

204. The roll-out of the standard operating procedures provides fresh momentum for improving programmatic and operational coherence. An increasing number of Governments indicated interest in the "Delivering as one" approach or some of its elements. The United Nations Development Assistance Framework continues to serve as a useful tool for strengthening coherence at the country level, but its implementation needs to be improved. A good step towards that objective is the use of joint national-United Nations committees. The management and accountability system is being implemented by a greater number of agencies, but a more balanced implementation of all its elements at the country level is needed.

205. As the contours of the post-2015 development agenda are consolidated towards the United Nations summit for the adoption of the post-2015 development agenda, to be held in September 2015, it could be timely to begin to reflect upon some of the considerations that Member States may wish to address in the preparations for the next quadrennial comprehensive policy review.

206. In terms of the general environment, the United Nations development system is but one part of a set of development and humanitarian networks that have grown dramatically. While much of the discussion in the quadrennial comprehensive policy review context in recent years has focused on the internal workings of the system, it is probable that the evolving post-2015 development agenda will require not only some measure of intensified system coordination and collaboration, but also greatly expanded coordination and collaboration with other players and networks.

207. Enhanced coordination, the costs of which have been deemed reasonable in past reports, will be a subject of continuing focus. Further work on the harmonization of policies and procedures and rules and regulations has the potential to reduce the workload of programme countries and improve the efficiency of the United Nations. A better understanding of the costs and benefits of such efforts will be required to avoid excessive focus on harmonization that could lead to involvement in detailed areas where it is both expensive and difficult to harmonize practices.

208. Similarly, much of the work of the United Nations in building coherence in its programming instruments is based on the assumption that programme countries want a structured programme package from the full United Nations development system. The continued validity of that assumption may remain true for countries with limited institutional capacity to manage themselves their programmes of external assistance. As developing countries move gradually towards stronger national management capacity, more may wish to manage themselves their external

assistance strategies and supplier choices. Appropriately adapting United Nations programming modalities will therefore require significant differentiation on the basis of the capacity and preferences of the countries.

Annex

Quadrennial comprehensive policy review monitoring and reporting framework

	Paragraph(s) of General Assembly resolution 67/226	*Indicator*	*Source collection method*	*Frequency*	*Previous value*	*Current report*
II						
Funding of operational activities of the United Nations for development						
II. A. General principles						
1	24	Total funding for United Nations operational activities for development	CEB financial database and reporting system	Annual	$23.9 billion	$26.4 billion
2	11, 24	Percentage share of United Nations operational activities for development relative to total official development assistance	(a) CEB financial database and reporting system (b) OECD.Stat	Annual	17.0	17.0
3	11, 24	Percentage share of United Nations operational activities for development relative to total multilateral official development assistance	(a) CEB financial database and reporting system (b) OECD.Stat	Annual	29.1	28.5
4	24, 33, 77	Total funding from non-OECD/DAC countries (excluding local resources)	CEB financial database and reporting system	Annual	$1.193 billion	$1.531 billion
5	24, 33, 77	Percentage share of funding from non-OECD/DAC countries relative to total estimated global South-South cooperation flows (excluding local resources)	(a) CEB financial database and reporting system (b) International development cooperation report	Annual	9.1	—[1]
6	24, 37	Total funding received from non-State partners	CEB financial database and reporting system	Annual	$5.946 billion	$7.218 billion

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E/2015/4

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
7	24, 37	Percentage share of total funding for United Nations operational activities for development coming from non-State partners	CEB financial database and reporting system	Annual	24.9	27.3
II.B. Enhancing overall funding, in particular core resources						
8	25, 33	Total core funding for United Nations operational activities for development	CEB financial database and reporting system	Annual	$6.709 billion	$6.722 billion
9	26, 29	Percentage core share of funding for development-related activities from Governments (excluding local resources)	CEB financial database and reporting system	Annual	45.9	45.0
10	27, 28, 44	Percentage share of non-core resources for development-related activities channelled to pooled, thematic and joint-funding mechanisms applied at the global, regional and country levels	CEB financial database and reporting system	Annual	10.2	9.2
11	118, 124 (g), 135, 141	Percentage of programme countries where more than 20 per cent of United Nations resources relate to joint programmes and are subject to pooled or pass-through and/or multi-donor trust fund management arrangements (as against parallel funding)	(a) Resident coordinator annual report[2] (b) CEB financial database and reporting system (c) Multi-Partner Trust Fund Office	Annual	23.9	14.6
12	35	Number of United Nations entities reporting to their governing bodies in 2014 on specific measures to broaden the donor base	Department of Economic and Social Affairs headquarters survey[3]	One time (2014)	17	17
13	39	Number of United Nations funds and programmes[4] that defined common principles for the concept of critical mass of core resources by 2014	Department of Economic and Social Affairs headquarters survey	One time (2014)	8	8

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
II.C. Improving the predictability and quality of resources						
14	41	Number of United Nations entities consolidating all projected core and non-core resources within an integrated budgetary framework.	Department of Economic and Social Affairs headquarters survey	Annual	—	17
15	42	Percentage of United Nations country teams implementing a common budgetary framework at the country level	Resident coordinator annual report	Annual	21	21.3
16	24, 33, 40	Percentage of top 10 donors of funds and programmes with core contributions changing by 20 per cent or more from the previous year	CEB financial database and reporting system	Annual	17.9	35.9
17	46	Number of governing bodies of United Nations entities that held structured dialogues during 2014 on how to finance the development results agreed in the new strategic planning cycle	Department of Economic and Social Affairs headquarters survey	One time (2014)	13	13
18 (a)	10, 11, 13, 19, 30	Percentage share of core country-level programme expenditure spent in least developed countries (excluding local resources)	CEB financial database and reporting system	Annual	40.6 (2011)	46.2
18 (b)		Percentage share of total country-level programme expenditure spent in least developed countries (excluding local resources)			50.5 (2012)	48.0
II.D. Ensuring full cost recovery						
19	47, 53	Number of United Nations entities having adopted harmonized cost-recovery frameworks by the end of 2013	Department of Economic and Social Affairs headquarters survey	Annual	11	11

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
20 (a)	43, 48, 51, 53	Percentage of total core expenditure on development-related activities by funds and programmes directed to programme activities	Agency annual reports	Annual	64.4 (2011)	–[5]
20 (b)		Percentage of total non-core expenditure on development-related activities by funds and programmes directed to programme activities			92.7 (2011)	
21 (a)		Percentage of total core expenditure on development-related activities by specialized agencies and other United Nations entities directed to programme activities			69.1 (2011)	–[5]
21 (b)	43, 48, 51, 53	Percentage of total non-core expenditure on development-related activities by specialized agencies and other United Nations entities directed to programme activities	To be determined[a]	Annual	83.1 (2011)	
22	54	Number of United Nations entities reporting on cost-recovery amounts within their regular financial reporting	Department of Economic and Social Affairs headquarters survey	Every two years	13	13
III						
Contribution of United Nations operational activities to national capacity development and development effectiveness						
III.A. Capacity-building and development						
23	14, 57-63	Percentage of new United Nations Development Assistance Frameworks[7] or equivalents that substantively address national capacity development	Desk review by regional UNDG teams (Peer Support Group)	Annual	–	96

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
24	57-63	Percentage of programme country Governments that strongly agree that United Nations system has been effective in developing national capacity	Programme country survey	Every two years	24.1 (2012)	30.6 (2014)
25	64	Percentage of programme country Governments that strongly agree that United Nations system uses national monitoring and reporting systems wherever possible	Programme country survey	Every two years	10.2 (2012)	17.1 (2014)
26	64, 66	Percentage of resident coordinators that strongly agree that the United Nations system is using parallel implementation units as little as possible	Resident coordinator survey[a]	Every two years	–	16.7
27	63	Common approach and framework to measure progress in capacity development results developed	UNDG/UNDAF Programming Network	One time	–	No
28	63	Average percentage of agency country offices using the common UNDG capacity measurement approach (when fully developed)	Coordination support survey	Annual (once fully developed)	–	–
29	14, 15	Three dimensions of sustainable development reflected in strategic plans of UNDG members	Agency strategic plans	Every two years	–	Yes
III.B. Poverty eradication						
30	70, 71	Percentage of new United Nations Development Assistance Frameworks or equivalents that substantively address poverty eradication	Desk review by regional UNDG teams (Peer Support Group)	Annual	–	96

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
31	19, 73	Percentage of programme country Governments that strongly agree that United Nations contributions to the eradication of multidimensional poverty and achievement of international development goals are significant[9]	Programme country survey	Every two years	–	26
III.C. South-South cooperation and development of national capacities						
32	74, 77	Number of United Nations entities that integrate South-South cooperation into their strategic plans	Department of Economic and Social Affairs headquarters survey	Every two years	–	20 (95 per cent)
33	74, 77	Number of United Nations entities that actively report on South-South cooperation in their annual reports	Department of Economic and Social Affairs headquarters survey	Every two years	–	18 (86 per cent)
34	74, 77	Percentage of new United Nations Development Assistance Frameworks or equivalents that substantively address South-South and triangular cooperation	Desk review by regional UNDG teams (Peer Support Group)	Annual	–	75
III.D. Gender equality and women's empowerment						
35	81, 85, 88, 91	Percentage of new United Nations Development Assistance Frameworks or equivalents that have specific results and resources for gender equality	Desk review by regional UNDG teams (Peer Support Group)	Annual	–	80
36	81, 82, 83, 85	Percentage of countries conducting the gender scorecard that meet minimum standards (rating 4) in at least half of the scorecard areas	Resident coordinator annual report	Annual	–	52
37	86, 89	Number of United Nations entities that track and report on allocations and expenditure using gender markers	UN-Women	Annual	–	11 (as at January 2014)

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
38	83, 90	Minimum set of gender indicators developed and endorsed by the Statistical Commission for system-wide use	UN-Women[10]	One time	–	Endorsed
39	86, 92	Number of entities that have achieved gender balance among both General Service staff and high-level posts (P-4 and above)	United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women	Annual	–	General Service: 30/34 P-4 and above: 2/35[11]
40	87	Status of the system-wide evaluation of the effectiveness, added value and impact of the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women	Joint Inspection Unit	One time (2016)	–	–
III.E. Transition from relief to development						
41	93, 94	Percentage of new United Nations Development Assistance Frameworks or equivalents that have effectively integrated disaster and climate risk	Desk review by regional UNDG teams (Peer Support Group)	Annual	–	79
42	93, 94, 108-110	Percentage of programme countries that report every two years on progress in disaster risk reduction	United Nations Office for Disaster Risk Reduction	Annual	–	74
43	104, 105	Number of countries in which agreements, arrangements or initiatives exist with key partners, including the Bretton Woods institutions, for response to crisis	Resident coordinator annual report	Annual	–	41.8
44	107	Endorsement of standardized instruments by the Secretariat entities and the United Nations development system to support joint programming and business operations in countries with a United Nations mission present	Integration Steering Group	Annual	–	Policy on integrated assessment and planning endorsed in April 2013

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
45	102	Number of countries with country-led and inclusive mechanisms to coordinate support for national priorities for transition	Resident coordinator annual report	Annual	–	81
IV						
Improved functioning of the United Nations development system						
IV.A. United Nations Development Assistance Framework						
46	4, 5, 7, 12, 21, 113, 114	Percentage of programme countries where a joint national steering committee (or similar group) conducted an annual United Nations Development Assistance Framework (or equivalent) review in the past 12 months	Resident coordinator annual report	Annual	36.7 (2012)	43.6 (2014)
47	130 (b), 171	Percentage of United Nations country teams that have submitted a United Nations Development Assistance Framework progress report to the national Government once in the past four years (and annually for "Delivering as one")	Resident coordinator annual report	Annual	–	71.8
48	9, 12	Percentage of programme country Governments that strongly agree that the United Nations is effective or highly effective in facilitating the participation of civil society and national non-governmental organizations in national development processes[12]	Programme country survey	Every two years	–	61
49	9, 12, 20, 114, 124 (i)	Percentage of civil society organizations that strongly agree that the United Nations collaborates as much as possible with civil society and national non-governmental organizations	Civil society organization survey, supplemented by coordination support survey	Every four years	44.1 (2012)	–[13]

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source collection method	Frequency	Previous value	Current report
50	5, 7, 12, 113, 115	Percentage of Governments that consider United Nations activities to be very closely or closely aligned with national needs and priorities	Programme country survey	Every two years	83	93
51	18, 116	Percentage of Governments that are satisfied or very satisfied with the Organization's ability to provide access to relevant expertise from across the United Nations system, including non-resident agencies[14]	Programme country survey	Every two years	54	56
52	23, 58	Percentage of United Nations country teams that indicate that disaggregated data (i.e. on income level, gender, age, disability, minorities (ethnic, religious, language, etc.) and indigenous people) have been adequately used to inform the country analysis stage	Resident coordinator annual report	Annual	–	Income: 87.2 Gender: 79.5 Age: 83.3 Disability: 51.3 Minorities: 47.4 Indigenous peoples: 24.4
53	23	Percentage of new United Nations Development Assistance Frameworks or equivalents that include reference to needs of persons with disabilities in line with the UNDG guidance note on including the rights of persons with disabilities in United Nations programming at the country level	Desk review by regional UNDG teams (Peer Support Group)	Annual	–	69
54	58	Percentage of United Nations country teams that have used the human rights-based approach as a programme principle in the new United Nations Development Assistance Frameworks	Desk review by regional UNDG teams (Peer Support Group)	Annual	–	84

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
55	14	Percentage of new United Nations Development Assistance Frameworks or equivalents that include sustainable development as a strategic priority area in line with UNDG programming guidance	Desk review by regional UNDG teams (Peer Support Group)	Annual	–	96
56	119	Number of United Nations entities that have developed measures to simplify and harmonize agency-specific programming instruments (specify type of instrument)	Department of Economic and Social Affairs headquarters survey	Annual	–	13 (68 per cent)
57	117, 119	Average number of months needed for the preparation process of new United Nations Development Assistance Frameworks	Desk review by regional UNDG teams (Peer Support Group)	Annual	–	12
58	117, 120	Percentage of programme country Governments that strongly or somewhat agree that there is a clear division of labour among United Nations agencies at the country level	Programme country survey	Every two years	–	67.1
59	117	Percentage of programme country Governments that strongly agree that the United Nations Development Assistance Framework or another United Nations planning framework has helped to improve focus on results[15]	Programme country survey	Every two years	47.7 (2012)	47.2 (2014)
60	121	Number of United Nations agencies that have aligned planning and budgeting cycles with the time frame of the quadrennial comprehensive policy review	Department of Economic and Social Affairs headquarters survey	Annual	13	15
IV.B. Resident coordinator system						
61	42, 124 (h), 130 (a), 130 (c), 131	Full implementation of the following elements of the management and accountability system:				

Paragraph(s) of General Assembly resolution 67/226	Indicator	Source collection method	Frequency	Previous value	Current report
61 (a)	• Percentage of United Nations entities that have revised the job description of their United Nations country team members to recognize the role of the resident coordinator	Development Operations Coordination Office collecting at the headquarters level, supplemented by the coordination support survey	Annual	–	70
61 (b)	• Percentage of United Nations entities recognizing reporting obligations to the resident coordinator on resource mobilization and programme implementation performance of any United Nations Development Assistance Framework/"One United Nations programme" elements led by the agency			–	70
61 (c)	• Percentage of United Nations entities that have included resident coordinator input in the performance appraisal system for United Nations country team members			–	60
61 (d)	• Percentage of United Nations entities that have included results of United Nations country teams in the performance appraisal system for agency representatives			–	75
61 (e)	• Percentage of UNDP country directors that have signed delegation of authority letters, including for resource mobilization, with resident coordinators/ resident representatives	Resident coordinator annual report		–	85

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
62	124 (b)	Percentage of resident coordinators who are female	Development Operations Coordination Office (human resources database)	Annual	40	39
63	124	Percentage of resident coordinators from programme countries	Development Operations Coordination Office (human resources database)	Annual	44	44
64	125	Percentage of Governments that are of the view that United Nations staff (heads of agencies) have the right mix of capacities and skills, including for high-quality policy and programme advice, and the highest standards of leadership skills	Programme country survey	Every two years	–	Capacities: 82.1 Leadership: 88.3
65[16]	128	Number and percentage of United Nations entities fully implementing the cost-sharing arrangement	Development Operations Coordination Office	Annual	–	11 entities/ 60 per cent
66	128	Proposal on funding modalities of the resident coordinator system submitted to the Economic and Social Council and the General Assembly in 2013	UNDG	One time (2013)	No	In progress[17]
67 (a)	128	Contributions in cash provided to the resident coordinator system	Resident coordinator annual report/ Development Operations Coordination Office[18]	Annual	–	$18.8 million
67 (b)[19]		Contributions in kind provided to the resident coordinator system	To be confirmed	To be confirmed	–[20]	
68	124 (a), 124 (b), 127 (c)	Resident Coordinator Assessment Centre reviewed and improved with the ultimate goal of bringing in high-calibre leaders	Development Operations Coordination Office	Once	–	Completed

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
69	124 (j)	Percentage of United Nations country team members[21] with very adequate delegated authority to make decisions on behalf of their agency	Coordination support survey	Annual	–	24
IV.C. "Delivering as one"						
70	134	Number of "Delivering as one" countries	Development Operations Coordination Office	Annual	33	43
71	134	Percentage of countries applying components of the standard operating procedures	Resident coordinator annual report	Annual	–	71.8
72	130 (b)	Percentage of countries with an annual United Nations country results report	Resident coordinator annual report		–	71.4 (2014)
73	138	Percentage of programme countries that considered adopting the "Delivering as one" approach that were satisfied with information provided to them by the resident coordinator/United Nations country team to enable them to take an informed decision on the approach	Programme country survey	Every two years	–	78
74	141	Number of resident coordinators[22]/United Nations country team members that state that they have received effective support from headquarters with regard to the "Delivering as one" approach	Coordination support survey	Annual	–	53
75 (a)	137	UNDG approved a headquarters plan of action to address challenges and bottlenecks, in particular at the headquarters level, which prevent the "Delivering as one" countries from fully using the efficiency gains under the "Delivering as one" approach	Development Operations Coordination Office	One time	–	Completed

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
75 (b)		UNDG implemented a headquarters plan of action to address challenges and bottlenecks, in particular at the headquarters level, which prevent the "Delivering as one" countries from fully using the efficiency gains from the approach		Annual (starting in 2015)	–	Ongoing
76	143 and Economic and Social Council resolution 2014/14	Options for the review and approval of the common country programme documents of the "Delivering as one" countries presented to the Economic and Social Council in 2014	Jointly by UNDP, UNICEF, UNFPA and UN-Women	One time (in 2014)	No	No[23]
IV.D. Regional dimensions						
77	146, 147	Number of joint regional coordination mechanisms regional UNDG teams common positions (papers) to advocate key development issues	Regional coordination mechanisms regional UNDG teams workplans and reports	Annual	–	15[24]
78	148, 149	Percentage of United Nations country team members that strongly agree with the statement that the regional Peer Support Group provides added value to the formulation of United Nations Development Assistance Frameworks	Coordination support survey	Annual	–	5[25]
79	146-150	Percentage of United Nations country team members stating that regional coordination mechanisms provide effective support on highest-priority regional or subregional issues of relevance to the country	Coordination support survey	Annual	–	53

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
80	146-150	Percentage of United Nations country team members stating that regional UNDG teams provide effective support on the highest-priority regional or subregional issues of relevance to the country	Coordination support survey	Annual	–	50
81	146-150	Percentage of United Nations country team members stating that regional commissions provide effective support on the highest-priority regional or subregional issues of relevance to the country	Coordination support survey	Annual	–	42
IV.E. Simplification and harmonization of business processes						
82	161	UNDG strategy developed by the end of 2013 to support the establishment of common premises in programme countries that wish to adopt them	UNDG reporting (Task Team on Common Premises)	One time (2014)	No	No
83	152	Plan for consolidated common support services[26] at the country level submitted to governing bodies in 2014, including in the areas of financial management, human resources, procurement, information and communications technology and other services	Department of Economic and Social Affairs headquarters survey	Annual until completed	No	No
84	155	Plan for the system-wide harmonization of regulations and rules, policies and procedures in all functional areas of business operations presented by the High-level Committee on Management and UNDG for review by the Economic and Social Council by the end of 2014	UNDG/High-level Committee on Management to report	Annual until done	No	No

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
85	159	Proposal on the common definition of operating costs and a common and (standardized) system of cost control presented in 2014	High-level Committee on Management/ UNDG[27]	Annual until completed	No	No
86	156	Percentage of countries with 25 per cent or more of the annual United Nations-financed procurement volume performed by the Government	Operations Management Team survey	Every two years	–	21.8
87 (a)	160	Report on feasibility study for establishing interoperability of enterprise resource planning systems undertaken	High-level Committee on Management reporting	One time (year to be confirmed)	No	No
87 (b)	160	Report on progress to achieve full interoperability of enterprise resource planning systems in 2016	High-level Committee on Management reporting	One time (2016)	No	–[28]
88 (a)	152, 154	Number of countries implementing common services	Resident coordinator annual report	Annual	–	–[29]
88 (b)		Number of countries implementing common long-term agreements				
88 (c)		Number of countries implementing a harmonized approach to procurement				
88 (d)		Number of countries implementing common human resources management				
88 (e)		Number of countries implementing information and communications technology services				
88 (f)		Number of countries implementing financial management services				

	Paragraph(s) of General Assembly resolution	Indicator	Source collection method	Frequency	Previous value	Current report
89	64, 152	Percentage of countries that are fully compliant with the harmonized approach to cash transfers	Harmonized Approach to Cash Transfers Advisory Committee and resident coordinator annual report	Annual	–	30
90	153	Number of United Nations entities that presented plans to their governing bodies for intra-agency rationalization of business operations by the end of 2013	Agency annual reports	One time (2014)	–	7 (46 per cent)
IV.F. Results-based management						
91	171	Percentage of non-"Delivering as one" United Nations country teams producing annual results reports	Resident coordinator annual report	Annual		46
92	166, 168	Number of United Nations entities using common results-based management tools and principles as identified in the UNDG Results-based Management Handbook	Agency annual reports supplemented by Department of Economic and Social Affairs headquarters survey	Every two years	–	15 (68 per cent)
93	170	Number of United Nations entities that have prepared clear and robust results frameworks for strategic plans for implementation in 2014	Agency strategic plans	One time (2014)	–	15 (71 per cent)
94	172	Results-based management and system-wide results reporting across the United Nations system reviewed by 2016	Joint Inspection Unit	One time (2016)	No	No
95 (a)[19]	166	Average percentage share of total personnel at the country level dedicated to results-based management and monitoring and evaluation	To be confirmed	To be confirmed	–	–

	Paragraph(s) of General Assembly resolution 67/226	Indicator	Source/collection method	Frequency	Previous value	Current report
95 (b)		Average percentage share of total personnel in the headquarters-level office dedicated to results-based management and monitoring and evaluation				
IV.G. Evaluation of operational activities for development						
96	173	Number of entities that have an evaluation tracking system that includes the status of implementation of evaluations and management responses	Department of Economic and Social Affairs headquarters survey	Every two years	–	18 (95 per cent)
97	181	Policy for independent system-wide evaluation developed and proposal for pilot system-wide evaluation submitted for discussion by the Economic and Social Council in 2013	Joint Inspection Unit on behalf of interim coordination mechanism[31]	One time (2013)	No	Yes
98	175	Percentage of programme countries that strongly agree that the United Nations has contributed to the strengthening of national evaluation capacity	Programme country survey	Every two years	–	15.7
99	182	Percentage of new United Nations Development Assistance Framework evaluations for which management response was prepared	Resident coordinator annual report	Annual	–	47.9

(Footnotes on following page)

(Footnotes to annex)

[1] South-South cooperation data for 2013 not available.

[2] Where the resident coordinator annual report is identified as a data source, a survey of resident coordinators led by the Department of Economic and Social Affairs, complemented by section 2 of the UNDG coordination support survey, will be substituted as the data source in 2014, given that data provided by the resident coordinator annual report may not be available in time.

[3] Source has changed the headquarters survey because the previous source did not prove feasible in practice for all United Nations entities.

[4] In the context of this framework, and while recognizing that it is a United Nations entity that is neither a fund nor a programme, UN-Women is classified under "United Nations funds and programmes".

[5] The data will be available in the next report, given that the General Assembly in its resolution 67/226 called for full implementation of new cost-recovery frameworks in 2014.

[6] Data not available from headquarters survey.

[7] In the context of this framework, a United Nations Development Assistance Framework is considered new if the programme cycle begins in 2013 or 2014.

[8] Given that the programme country survey did not reflect this indicator, the report updated the source and the indicator in respect of resident coordinators.

[9] The 2014 survey measured the percentage of programme country Governments that strongly agreed that the United Nations was effective in ensuring that adequate attention and resources were given to the development needs of the poorest and most vulnerable segments of society.

[10] The indicator previously suggested that the Department of Economic and Social Affairs would undertake a desk review of agency annual reports. Given that UN-Women will provide such information, that source has been removed, with the Department having no such capacity.

[11] UN-Women is the source for General Service posts and CEB for P-4 and above.

[12] The 2014 survey reveals the percentage of programme country Governments that selected the United Nations as a preferred partner in facilitating the participation of civil society and national non-governmental organizations in national development processes.

[13] The civil society organization survey is conducted every four years; it was not conducted in 2014.

[14] The 2012 and 2014 surveys indicate the percentage of programme country Governments that considered "provides access to specialized knowledge in a wide range of subject areas" to be a very relevant attribute of the United Nations system.

[15] The 2012 and 2014 surveys reveal the percentage of programme country Governments that strongly agreed that the United Nations Development Assistance Framework or another United Nations planning framework had helped the United Nations to achieve better results than if each United Nations agency had planned its support to the country separately.

[16] The number of entities will be given, as will a percentage.

[17] See section IV.B.

[18] New source.

[19] There remain two indicators, 67 (b) and 95, for which the data source is still to be confirmed. The former was developed at a time when it was expected that a harmonized definition of "in kind" contribution to the resident coordinator system would be decided upon in the near future. When the task team was completing its work, however, there was no system-wide agreement on methodology for the indicator. The indicator itself will need to be revisited once UNDG has discussed and agreed upon methodology. In addition, some task team members felt that indicator 95 was either not measurable or very difficult to estimate. Further work is under way to determine whether the indicator needs to be reformulated in such a way as to keep transaction costs to a minimum.

[20] No source could be identified. Further efforts will be made in 2015.

[21] Changed by agency from "United Nations country team" to "United Nations country team members".

[22] The UNDG coordination support survey did not ask the question of resident coordinators separately. They were grouped with all other United Nations country team members. Data on resident coordinator responses cannot therefore be provided.

[23] However, a joint UNDP-UNFPA-UNICEF-WFP informal consultation was held in September 2014.

[24] As per information received from regional UNDG teams in Arab States (1), Latin America and the Caribbean (4), Asia-Pacific (5), Africa (0) and Europe and Central Asia (5).

[25] Please note that 58 per cent agree with this statement, as opposed to 5 per cent who strongly agree.

[26] Word "services" added.

[27] Source has changed from "Desk review of agency annual reports, supplemented by headquarters survey as needed".

[28] Study under way.

[29] Data for indicators 88 (a) to 88 (f) will be available in the next report through the new UNDG-resident coordinator annual report system.

[30] The concept of a country that is compliant with the harmonized approach to cash transfers has been discontinued. A revised indicator will be developed in 2015.

[31] Error corrected.